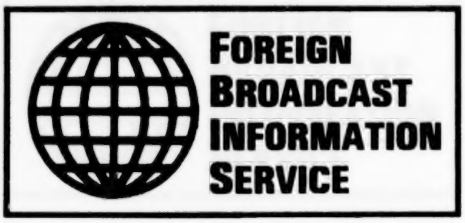
JPRS-LAM-87-051
2 JULY 1987




# JPRS Report

# Latin America

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# LATIN AMERICA

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VENEZUELA, TRINIDAD AND TOBAGO RATIFY AGREEMENT WITH ECUADOR

Quito EL COMERCIO in Spanish 8 May 87 p A-2

[Article by Teresa Herrera]

[Text] Lago Agrio, 7 May--The ministers of energy of Venezuela, Arturo Hernandez, and Trinidad and Tobago, Kelvin Ranmeath, yesterday confirmed that they will cooperate with Ecuador in the area of energy. This cooperation will take the form of agreements drafted under the auspices of the Informal Group of Petroleum Exporting Countries of Latin America and the Caribbean (GIPLACEP), which includes these countries along with Mexico and Colombia.

Hernandez and Ranmeath arrived in Lago Agrio yesterday to attend today's ribbon-cutting ceremonies for the pipeline through which Ecuador will pump crude oil from the fields of the Amazon Region to Colombia.

"We came to participate in an event which is of primary importance to our countries, because it symbolizes the joint effort of two sister nations, Colombia and Ecuador," stated the Venezuelan minister on arriving in Ecuador.

Venezuela is loaning Ecuador 12.5 million barrels of crude oil so that it can meet the needs of its domestic market as well as its international export commitments.

Hernandez stressed the coordination and fraternity between Ecuador and Venezuela, which they maintain in order to strengthen their position as petroleum exporting countries and to better defend their interests in that area.

Trinidad and Tobago, one of the earliest producers of crude oil (since 1915), is willing to enter possible negotiations with the Ecuadoran State Petroleum Corporation (CEPE) for the purchase of Oriente crude. The oil would be refined and processed in its plants, and then would be sold as derivatives, Ranmeath stated.

He pointed out that at the last GIPLACEP meeting in Caracas, the delegates agreed to express solidarity with Ecuador in view of its plight as a result of the 5 March earthquake.

Ranmeath emphasized the fruitful relations between Ecuador and Colombia: "We would like them to extend to all petroleum producing countries. I hope these ties and cooperation will be closer in the future," he said.

In fluent English, translated into Spanish by the CEPE manager, the official of the Trinidad and Tobago Government revealed that his country has a great deal of experience in the oil industry, and its experts are available for work and investment opportunities in the service area.

At the moment, Ecuador is carrying out a far-reaching oil exploration project in areas with hydrocarbon potential, which are attractive to foreign investors.

In this regard, the CEPE manager pointed to the need for geographic diversification of services, especially between the countries of Latin America and the Caribbean, in a way that would emphasize investment rather than the establishment of branch offices.

The visiting ministers, along with their Ecuadoran counterpart, Javier Espinosa, and the CEPE manager and ambassadors from Venezuela and Colombia, took a helicopter flight yesterday afternoon to view the area affected by the 5 March earthquake.

The visitors saw the magnitude of the disaster, which devastated vast areas of the Oriente region of Ecuador and destroyed part of the country's oil facilities. As a result, crude exports have been halted. Minister Espinosa reported that hydrocarbon activities will be reactivated entirely by the first half of August, when the reconstruction of the pipeline is completed.

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CSO: 3348/328

ECUADORAN INDUSTRY MINISTER VIEWS ANDEAN INTEGRATION

Quito HOY in Spanish 13 May 87 p 3A

[Text] "Integration has been saved," declared Minister of Industries Ricardo Noboa Bejarano upon arriving in Quito yesterday morning. The minister, who was accompanied by the four other plenipotentiaries from the countries of the area, expressed optimism about the agreement that was reached in Lima during the 49th session of the Cartagena Agreement Commission on Monday. At that session, it was finally decided to sign the document that will govern subregional integration from now on.

Eduardo Mayobre, the Venezuelan minister, stated that "even we were surprised" at how quickly the plenipotentiaries were able to reach an agreement in Lima. He indicated that the decision was expected, "but not so quickly."

It may be recalled that the signing of the protocol, which had been scheduled for last 16 February, was postponed at Venezuela's request when that country's government began a 1-month period of consultations during which the different positions of the private sector were analyzed.

Mayobre pointed out that "after evaluating these responses, in which we believe there has been a general understanding of the objectives and the circumstances of the modification protocol, the Venezuelan Government has decided to sign it." In arriving at that decision, he said, the government was aware that although the Venezuelan business sector is not unanimous on the new integration instrument, "we are representing the feelings of the majority," he pointed out.

Meanwhile, Colombian Minister Samuel Yohai stated that this negotiating process proves "that the Andean democracies are capable of improving all the mechanisms for real integration."

Features of Protocol

The features of the new integration mechanism that was signed yesterday at the President's Office, as the Cartagena Agreement Commission informed the national press, are the following:

--Revival of the Andean Group

--Establishment of clear and stable game rules for the production sectors, the main engines of integration

--Restoring clearly identified objectives to the Andean Group through the modification protocol

--Incorporation of the Andean Parliament, the Andean Tribunal of Justice, and the Andean business and labor councils into the institutional structure of the Cartagena Agreement

--Inclusion of a chapter on economic and social cooperation

One of the main features of the modification protocol is the elimination of deadlines. Referring to this point, the Colombian minister pointed out that many areas of integration had virtually ground to a halt because of the failure to meet deadlines. Under the current plan, more flexibility is introduced, thus guaranteeing full compliance in the future, he indicated.

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## ECUADOR, COLOMBIA SIGN ENERGY COOPERATION AGREEMENT

Quito HOY in Spanish 14 May 87 p 5A

[Text] Colombian-Ecuadoran energy integration will become a determining factor in the binational development process, in view of the long-term effects of these initiatives. Some of them are aimed at overcoming the aftermath of the 5 March earthquake, and others have been taking shape for a long time.

The joining of the Ecuadoran and Colombian pipelines, the joint exploration around the Frontera oilfield, and the sale of electricity to Colombia are the specific steps that have been taken so far.

The case of the pipeline between Lago Agrio and Tumaco was a forced decision, though not an improvised one, since for some time there had been plans to build a pipeline for the export of oil derivatives obtained from the surplus production of the Amazonas refinery.

That horizon has been expanded. In addition to facilitating these derivatives exports in the future, there will be a network of pipelines that can be useful in emergencies that might arise as a result of the geological inconsistency of some sectors through which the Orito-Tumaco Pipeline passes. The Trans-Ecuadoran Pipeline could fulfill the functions now carried out by the Colombian transportation system.

Moreover, seismic studies have already begun in the basin of the San Miguel River. Plans call for laying 500 kilometers of seismic lines and determining the location of oil deposits (the Frontera oilfield would be the first to be developed by the two countries). The research, exploration, and exploitation will be conducted jointly, which means that the Colombian Petroleum Enterprise (ECOPETROL) and the Ecuadoran State Petroleum Corporation (CEPE) must maintain strong ties.

Similarly, Ecuador has begun sending 13,000 kilowatts of electricity to southern Colombia on a line established between San Miguel del Car in Tulcan and Ipiales.

The map, distributed by ECOPETROL, clearly shows the entire route of the pipeline, the location of the Frontera binational oilfield, and the electricity line between Tulcan and Ipiales.




Colombian-Ecuadoran Petroleum Milestone

Ecuador and Colombia have announced an ambitious energy cooperation program that includes the exchange of information, close relations in the oil industry, and real integration in terms of electricity.

We talked with Francisco Chona, president of ECOPETROL, and Carlos Romo Leroux, general manager of CEPE, who discussed important points in the area of petroleum.

Francisco Chona, expressing his opinion on the implementation of a binational project such as the connection of two pipelines (the Trans-Ecuadoran in our country and the Trans-Andean of Colombia), stated that "it is one of the most important acts of Latin American integration, a real integration where . . . we are offering genuine assistance during difficult times."

Carlos Romo Leroux said, for his part, that "this is a veritable milestone in the hydrocarbon industry and in what could be called industrial integration in

Latin America. Many countries have shared deposits, common interests in the energy sector, and after many years of talks, they have been unable to reach any agreement." Nevertheless, he added, Ecuador and Colombia have already hammered out a specific commitment.

The president of ECOPETROL contended that since the Orito Pipeline was underutilized, there was no problem connecting it with the Ecuadoran one. In addition, the degree of development enjoyed by the two countries facilitates actions such as the one taken this Friday, because there is no mistrust and integration agreements command respect.

The manager of the CEPE added that "specific steps have been taken." The cooperation agreement entails a broad exchange of information and technology and a pact for the exploration of shared deposits.

Chona emphasized that seismic exploration is already taking place on the border, with investigation of the Putumayo and Napo basin, so that resources can be exploited economically and scientifically. This exploitation will be carried out in accordance with international norms.

Romo Leroux stressed that an oil structure, called Frontera, has already been identified. In the next few days, teams of seismic experts will cross the border to complete the 500 kilometers of seismic lines. The first exploratory well will be drilled shortly.

As for the manner in which the benefits derived from developing the border oilfield will be distributed, Francisco Chona stated that "it is a very simple matter. If 10 barrels of oil are obtained from a well, 5 go to Ecuador and 5 to Colombia. If $10 must be invested, $5 comes from Ecuador and $5 from Colombia."

Nonetheless, Carlos Romo Leroux asserted that "the agreement does not yet call for joint exploitation; that would be the subject of a second agreement." The original document so far envisions just the discovery of a deposit, and then the terms of participation will have to be negotiated.

He admitted that there are methods for operating shared oilfields, as in the case of a field jointly owned by CEPE and City. Because City has the bulk of production, it is the operator, and participation is determined proportionally.

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SENATOR WARNS OF DECLINE IN SARNEY'S POPULARITY

PY151659 Rio de Janeiro O GLOBO in Portuguese 12 Jun 87 p 5

[Text] Sao Paulo--Senator Jose Richa yesterday admitted that support for President Jose Sarney is dropping dangerously and warned that if the situation continues to deteriorate it "could finally lead to a coup, whether we like to or not." He states, however, that there are still no signs of a coup.

He believes that, beside the lack of general support for different issues, the fact that we are living through a transition, and constructing a democracy, we are at the same time holding a National Constituent Assembly, is another adverse factor. I think this is a tragedy, he said.

Richa said that it is difficult to know who supports and who does not support the government. He said that "the structure of the majority sector which supports President Sarney is very complex."

Jose Richa visited the Sao Paulo Legislative Assembly yesterday. There he explained the main points of his report to the State Organization Committee. One of the projects in his report is the creation of the State of Tocantins, which he supports because he believes that this is the only project which will fulfill all legal requirements. In his belief, the changes that occurred in the State of Coias were a decisive factor that influenced its future division.

The senator considers the neopresidential system proposal supported by Sarney as absurd. He believes that if this proposal is approved, the population will not know who is responsible or incompetent for state matters in case of a failure, either the prime minister or the president.

If there were no other alternative, however, to solve the Brazilian economic and social crisis, I would then reconsider it and eventually approve this kind of government system, much to my dislike, he said.

Although Richa considers that the PMDB [Brazilian Democratic Mobilization Party] convention will inevitably take place, since it is the wish of the rank and files, he prefers it to take place nearer to the time when the National Constituent Assembly decides on Sarney's presidential term.

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LABOR LEADER SAYS GENERAL STRIKE INEVITABLE

PY140408 Madrid EFE in Spanish 2253 GMT 13 Jun 87

[Text] Santo Andre, 13 June (EFE)--Jair Meneguelli, president of the Sole Central Organization of Workers (CUT), today said here that a general strike to protest the economic measures announced by the government is inevitable.

The leader of the CUT, which is a leftist and the most important labor union organization in Brazil, said that the government itself is pushing the working class to strike, by adopting recessive measures and restricting salaries with the only intention of increasing exports to pay the foreign debt.

Meneguelli said that no date has been set for the general strike, but it will be discussed on 16 June when the CUT will ask the rest of the labor unions to plan a joint strategy. He said that the economic package seems to be a strategy planned by the IMF rather than by a government interested in protecting 130 million Brazilian consumers. He also said that the workers' salaries were frozen and that the prices were readjusted before the economic measures were announced, to the detriment of the workers.

On the evening of 12 June, President Jose Sarney and his economic team announced a new economic readjustment plan in view of the growing inflation that was threatening the country with a recession.

The new economic measures include the freezing of prices, salaries, and house rents, the suspension of important public works constructions in the whole country, and the strict control of government expenses and the national budget.

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## NEW CNBB OFFICIALS ON LAND INVASIONS, CHURCH-STATE RELATIONS

### CNBB President's Views

Rio de Janeiro O GLOBO in Portuguese 10 May 87 p 7

[Interview with Dom Luciano Mendes de Almeida, CNBB president, in Brasilia; date not given]

[Text] Brasilia--He speaks slowly and calmly, choosing every word carefully. However, he does not have the unmistakable foreign accent of the fathers trained in seminaries in the interior of the country. Dom Luciano Mendes de Almeida, the new president of the National Conference of Brazilian Bishops (CNBB), has not retreated one inch from the political positions defended by his predecessors, Dom Aloisio Lorscheider and Dom Ivo Lorscheiter. Like them, he wears the cassock of the progressive church, but in this first interview since his election, which took place in the headquarters of the body over which he presides, he gave the impression of being a moderate, a conciliator of factions.

This did not prevent him from defending the presence of the church alongside the settlers fighting for land and the poor people fighting for housing in the urban centers. He justifies the seizures of land as a legitimate way of demonstrating and expressing the hope that the Constituent Assembly will give the dignity of the human individual priority. He stresses that a future campaign for direct election of the president might, in the opinion of the church, lead to dangerous exacerbation which would work against the interests of the Brazilian people.

[Question] Are those who blame the church for the conflicts in the rural sector or the seizures in the cities correct?

[Answer] Only those who are ill-informed or who are carried along by some faction, the result of an ideologized interpretation of the church, say such things. What we see is that the church, at all times in history and despite its shortcomings, has always sought to carry out its mission. Who of us has the right to ignore the fact that 70 percent of the Brazilian people are suffering from a very difficult situation, from which they need to be gradually liberated if they are to achieve a more dignified life? The presence of the church in the social, political and economic areas is a result

of the conviction that Christians have about the dignity of the human individual. If an individual truly loves another--his neighbor, he cannot tolerate the inferior life situation of the object of his love.

[Question] Does this justify the participation of the church in the seizure of land, for example?

[Answer] It is not the role of the church to urge anyone to seize land, but it cannot fail to concern itself with those who find themselves in this situation, among other things because this presence may sometimes lead to a peaceful relationship and a hope of achieving a solution by legitimate means. I can tell you on behalf of the CNBB that we have always been concerned with showing the difference between a seizure which is not acceptable and a demonstration that rights can sometimes be won, through, among other things, the peaceful and temporary occupation of an area to demonstrate the inferior life being experienced by a certain group. This has nothing to do with efforts to take over areas without legitimate title to them.

[Question] How do you view the reaction to the seizures evidenced by the prefects and governors, in Sao Paulo in particular?

[Answer] They are regrettable. Violence is unacceptable in a democratic regime, where dialogue, understanding, the claiming of rights and fair discussion must govern all human relationships. If invasions of land occur, there are other ways of showing where justice lies. Those who at a given moment have undertaken a seizure can always be persuaded that a solution other than that can be found, provided that what they want is not definitive occupation of the area, but a solution to their problem. Violence only aggravates resentment and bitterness. And it shows the neglect and inefficiency of the public authorities, who have no acceptable solutions to propose.

[Question] What does the CNBB expect of the Constituent Assembly, now that the subcommissions are moving toward the conclusion of their work?

[Answer] The same thing it has always said--that the Constituent Assembly work toward the drafting of a constitution for the country in the way best suited to the just aspirations of our people. That the heart of our future constitution be the dignity of the human individual, beginning with those whose dignity has been most neglected and least clearly identified. We have a special reason for wanting this--our conviction of the dignity of the human individual in the eyes of God. Each person born is loved by God with a personal love, for himself, and in the light of that love, he merits every concern and encouragement on our part.

[Question] Is the CNBB promoting popular participation in the movement for direct presidential elections, as it has done in connection with the Constituent Assembly?

[Answer] No. There is a difference in time. Now the consensus should be oriented toward the aspirations of the Brazilian people, that is the real achievement of urgently needed changes. And it is also desirable that this be

understood in the short range, so as not to create ambiguous expectations, which would mean now, unfortunately, a lack of perception on the national level of the specific conditions of our people. They have the right not only to expect, but also to participate in the process of advancement for the neglected classes. Once again I insist that this be brought down concretely to the housing system, and thus to urban land reform and the agrarian reform issue. These are essential points for improving the condition of the Brazilian family, about which the people are becoming more bitter with every passing day. Moreover, we now know what is included in the constitutional program, and as to the time factor, that is where it belongs, yielding precedence to other aspects I regard as having priority.

[Question] What is the proper time?

[Answer] That established by the constitution.

[Question] What will the CNBB proceed to do after this gathering in Itaici at which you were elected to its presidency?

[Answer] What was there in this gathering to contribute to the explanation of certain factors? First of all, there was included in the situation of the Brazilian people a specific reference to political change, which has been notable in recent times. Secondly, there was also an intensification of the evangelical content, which is the proclamation of the full truth about Jesus Christ, the church and man. In the old days, this was the point of departure for preaching, while today it is its content. The importance of the preferential option for the poor was also made clear, recalling that this is the very option the Gospel itself teaches us to make. There is also a new element in the explicit reference to the actions of the church as actions designed to train the people of God in the communities. And it is through this first phase of activity that an effort is also being made to contribute to the construction of a just and fraternal society, with the understanding that it is not the church alone which builds this society, but that it has an obligation to contribute to its development.

[Question] How do you respond to the statement that the church should withdraw from the space it occupies, surrendering it to organized civilian society and the parties, now that the country is living under a democratic regime?

[Answer] The parties are not the only point of convergence for popular action. There are other forms of organization--in communities, in business groups, trade unions, and residents' associations. The important thing is that it is necessary to use popular organizational forms on the various levels, and on the religious level as well. The party is only one of the forms, and certainly not the main one.

[Question] Is the encouragement of party organization a part of this church activity?

[Answer] Yes, obviously. Because political action occurs through popular movements, but it is also exercised more directly under a democratic regime

through the multiparty system. And the Christian, precisely because he feels it his duty to contribute to the common good through organizational forms, must also contribute by choosing his party, in full freedom, on the basis of his principles.

[Question] Is the thesis to the effect that the PT exists and is developing as a function of the protection of the church correct?

[Answer] It is necesssary to respect the autonomy of the parties, whatever they may be, and the autonomy of the church itself. A given individual may participate in the popular movement on the religious level and on the party level. What has happened is that the program of the PT, in the sectors with the greatest labor presence, as is the case in the Sao Paulo ABC, has tended to co-opt the expectations and the just aspirations of the working class. It is also true that church action is to be found in these places. There has been a kind of coincidence, but within a sphere of freedom. The church does not choose any particular party.

[Question] May even the priests be active in the parties?

[Answer] He who serves a function in the community can simultaneously serve all members of the community. Therefore he must maintain this position of equality and abstain from affiliation with any party. This is the pastoral path. With this we are moving beyond the phase in which some members of the church even ran as candidates, which is undesirable at the present time.

## CNBB Secretary General's Views

Sao Paulo FOLHA DE SAO PAULO in Portuguese 19 May 87 p A-4

[Interview with Dom Antonio Celso Queiroz, secretary general of the CNBB, at the headquarters of the Ipiranga Episcopal Region on 15 May 1987]

[Text] The aggravation of the Brazilian socioeconomic crisis "is serving to deprive the technocrats of their mystique and the presumed potential of economic science to resolve, theoretically, the problems arising in practice in the life of the country." Their solution must come "not from some enlightened despot," but from the participation of all segments of society. This is the opinion of the new secretary general of the CNBB, Dom Antonio Celso Queiroz, 53, who is the bishop of Ipiranga, in the southern part of Sao Paulo. A native of Pirassununga (207 km north of Sao Paulo), Dom Celso is a Corinthians fan, and his main hobbies are reading the classic mysteries of Agatha Christie and Georges Simenon and daily walks through the streets of the Saude neighborhood, where he lives, in the southern part of Sao Paulo.

In the elections held last April in Itaici, a municipality in Indaiatuba (99 km to the northwest of Sao Paulo), Dom Celso was elected on the first ballot, winning 185 of the votes of the 254 bishops participating, to succeed Dom Luciano Mendes as secretary general of the CNBB. This puts him in a position, according to the tradition of that body, to seek election to the presidency of the Brazilian Episcopal Conference in 1991, if Dom Luciano is not reelected, which is in fact rather probable.

Dom Celso, who granted FOLHA an exclusive interview at 2 pm last Friday in the headquarters of the Ipiranga Episcopal Region (located at No 818 Xavier de Almeida Street), completed his basic studies in Campinas and studied philosophy and theology in Sao Paulo. He supplemented this training at the University of Comillas in Spain between 1957 and 1968. Before he became a bishop, he was the assistant for the Catholic Student Youths (JEC), a professor at the PUCs in Campinas and Sao Paulo, and deputy pastoral secretary of the CNBB.

[Question] Does the choice of Dom Luciano, Dom Paulo Ponte as vice president and yourself as secretary general mean a change in the pastoral line of the CNBB as compared to the last 8 years, the Dom Ivo Lorscheiter era?

[Answer] The line followed by the CNBB is that best suited to the present times, and this was demonstrated at our recent assembly, which confirmed the general goal and the pastoral guidelines of the church in Brazil. Since the earlier elections, such as those in which Dom Ivo was elected and then reelected as president of the conference (1979-1983 and 1983-1987), the bishops have clearly indicated the goal they wanted to reach. Dom Luciano worked for 8 years as secretary general with Dom Ivo, and I also worked with him for 4 years, as deputy secretary general, and then for 8 years in the Episcopal Pastoral Commission. These are different backgrounds for action, and this is very good, but the working line is and will continue to be the same.

[Question] And what about the relations between the church in Brazil and the Vatican?

[Answer] There was a period 2 years ago when there were some difficulties. But since our visits to the pope in 1985 and 1986 and the letter sent in April of last year to the CNBB by Pope John Paul II, relations have normalized. Dom Ivo Lorscheiter played a basic role in this process. The visit Dom Luciano is paying to the pope and the Vatican now is evidence that we want to continue the dialogue between the CNBB and the Holy See and deepen it further.

[Question] Could some change in the relationship with the government be foreseen? Might the church adopt a more conciliatory position with President Sarney?

[Answer] The relations between the government of a country like Brazil and the church cannot be analyzed in superficial fashion. Both the church and the government in Brazil have understood that in a society which is increasingly pluralistic, their respective roles are different from what they were in another historic era, when there was a complete involvement of the two. The 20 years which preceded the democratic restoration were very good in this connection. There was a shift for the church. It understood that what it had been doing here for centuries--drawing closer to the government--could not be done in a new situation. This was because allying with the government meant becoming an accomplice in a project imposed on the people. The church has its specific place and its own range of independence to criticize or praise, not only the government but all of the other social institutions, when it sees the need. There is no church-government-people triangle. There is a government

and a civil society, within which the church plays a role. With the democratic opening, the relationship between the church and the government became more educated.

[Question] Within this context, how do you view the aggravation of the Brazilian crisis?

[Answer] All of those with a historic vision knew that the period after the dictatorship would not be easy. It would not be possible to develop a different country within 6 months or a year. But I in particular did not expect that in 2 years, Brazil would find itself in this present situation, with this lack of direction and the need to define the most basic things. We are all disappointed, not by the difficulties but because of the lack of definition which has been gradually undermining what still remains of confidence in the people. One should not do do what is being done with a people capable of rising up against the dictatorship. The last thing they had--their hope--is being taken away from the Brazilian people. And while their hope is being taken from them, it is not known what they will receive later in exchange.

[Question] Could the direct election of the president of the republic be a solution to the present crisis?

[Answer] This would help as a solution, because a president elected thus will have popular support. The present situation is anomalous, putting those who are governing the country in an uncomfortable position. But direct elections cannot be viewed as a panacea for the present difficulties. It is events which must determine whether we should anticipate the direct election of the president.

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CSO:3342/124

## LATIN AMERICAN LABOR CONFERENCE ON DEBT OPENS IN SAO PAULO

### Purposes of Conference

Sao Paulo FOLHA DE SAO PAULO in Portuguese 17 May 87 p A-48

[Text] Trade union leaders from 32 Latin American and Caribbean countries will meet beginning tomorrow at the Campinas State University (UNICAMP), 100 km northwest of Sao Paulo, in the hope of agreeing on united actions to exert pressure on the governments in the region so that they will adopt firm and joint positions in dealing with the foreign debt issue.

Even the possibility of a continental strike may be discussed, among the "proposals for joint forms of struggle against the foreign debt " one of the items on the agenda of the Latin American and Caribbean Conference on Foreign Debt. The conference will begin at 10 am tomorrow and will end at 8 pm next Thursday, 21 May. There will be 300 trade unionists representing 59 central trade unions participating. The organizations represented will include the Single Union of Workers (CUT) and the General Workers' Central (CGT).

The two Brazilian bodies, together with the Bolivian Labor Central (COB) and the Uruguayan Plenary Workers' Intersindical/National Convention of Workers (PIT/CNT) are the organizations responsible for convoking the conference. Argentina will be represented, but not by the powerful General Labor Confederation (CGT). The Argentine CGT decided not to send delegates officially, following the decision of the International Confederation of Free Trade Union Organizations (CIOSL), which is one of the three worldwide unions, not to support the event because of internal issues within the trade-union movement, although it shares in the consensus that "The debt is unpayable."

### Crisis

"The payment of the foreign debt, its interest and service, is one of the main causes of the deepening social, economic and political crisis to which we are being subjected," Jair Meneguelli (CUT), Jose D'Elia (PIT/CNT), Joaquim dos Santos Andrade (CGT) and Juan Lechin Oquendo (COB) said in the document convoking the conference.

The 32 countries which will be represented at the gathering in Campinas have a population totalling 411 million, including 135 million workers, and these

countries have a foreign debt of $430 billion. In the view of the trade-union leaders, the workers are the main victims of the debt, and it is for them to assume leadership of a reaction which will force the governments to question the present international economic order.

"Our governments need to redeem the sovereignty of our countries, refusing to submit to the demands of the international creditors, which would mean recessive policies such as that adopted by Brazil between 1981 and 1983, consistent with the dictates of the International Monetary Fund (IMF)," according to Joaquim dos Santos Andrade ("Joaquinzao"), who is 60.

"Joaquinzao," who urges suspension of the debt payments, regards the position of the Brazilian government, even after the moratorium was decreed, as dubious. According to the president of the CGT, there is only one alternative if the country is not to repeat the 1981-83 treatment--renegotiation of the debt, together with the other debtor countries, and on a political basis.

"By insisting on continuing bilateral negotiations and not establishing a so-called "debtors' cartel," our country has shown itself to be the ally of the IMF on our continent," in the opinion of Jaco Bittar, 46, the international relations secretary of the CUT. Unlike the CDT, the CUT simply urges nonpayment of the foreign debt. This is, moreover, a difference which exists in the whole of the Latin American trade-union movement.

Strike

"We will abide by the consensus at the conference," Bittar says. He minimizes the differences which have developed during the debate on the subject, mainly in connection with what the trade-union movement should do from now on, and he urges a continent-wide strike. However, he explains that this is not the position of the CUT, whose national executive board is meeting in Sao Paulo this weekend to define the proposals to be taken to Campinas.

The proposed strike is viewed with reservations in the CGT. "Joaquinzao" believes that such subjects as agrarian ano reform "may not perhaps succeed in winning the support of the Brazilian worker for a general strike."

Agenda

The Latin American and Caribbean Trade Union Conference on the Foreign Debt will have three basic items on its agenda. The first is the economic and social effects on the life of the Latin American and Caribbean peoples; the second is proposed solutions to the problem; and the third is proposed joint forms of combating the foreign debt. Facilities at the conference will include closed-circuit television and simultaneous interpreting services, and a special bulletin and an almanac on the foreign debt will be published. The UNICAMP, in addition to providing the premises for the conference, will make an academic contribution to the trade unionists' discussions. At 9 pm on Tuesday, Rector Paulo Renato Souza will present the conclusions reached by the seminar on foreign debt held by the University.

Spheres of Influence

"Brazil is the apple of the eye of the international trade-union movement," Joaquim dos Santos Andrade, president of the CGT, says, and he admits that a sphere of influence which is important on the political chessboard of world trade unionism will be the issue at stake in the cloakrooms during the Campinas conference.

Hegemony over the world trade-union movement is being sought by three bodies--the CIOSL, the World Federation of Trade Unions (WFTU), and the World Labor Confederation (CMT). Although unaffiliated with any them, the Brazilian unions receive aid from them all, and even dream of more daring roles.

This is true of the CUT, which has bet all its cards on the Campinas conference, making a point of joining with three other trade-union organizations, also unaffiliated with the international bodies, to convoke the gathering. Jaco Bittar does not exclude the possibility that in the future, a new Latin American trade union of an independent nature might be established. "We are regaining our identity and taking concrete steps to free ourselves from the European influence," he says, in connection with the the CUT strategy of insisting on convoking the conference through independent unions to block the possibility that the CIOSL might assume leadership of the process.

Differences of Opinion

By insisting on this independent aspect, the CUT put itself at odds with the CIOSL, an organization with a social-democratic orientation which has its headquarters in Brussels, Belgium, and which has historically always been its main ally. The CIOSL, which sponsored two out of the three trade-union conferences on the foreign debt held in Latin America in the last 3 years--in Cuernavaca, Mexico, in April of 1985, and in Buenos Aires, Argentina, in September of 1986--decided not to give any support to the Campinas conference after the CUT undertook to convoke the meeting without including in the arrangements the Argentine CGT, the Mexican CTN or the Venezuelan CTV, all organizations affiliated with the central union headquartered in Brussels.

The CUT then turned to the WFTU, a communist-oriented organization with headquarters in Prague, which is the archenemy of the CIOSL.

The WFTU is paying the travel expenses of the majority of the 160 foreign delegates, as well as providing the infrastructure for the conference to be held in Campinas with financial aid.

Christian-Democratic Union

The CMT, which is Christian-democratic in orientation and has its headquarters in Brussels, Belgium, is also providing the conference with financial support through its regional organization, the Latin American Workers' Central (CLAT). Like the CMT, the other two international organizations have regional affiliates in Latin America. The CIOSL is represented by the Regional Inter-American Labor Organization (ORIT), and the WFTU is represented by the Latin American Workers' Permanent Congress for Trade Union Unity (CPUSTAL).

## General Strike Proposal

Sao Paulo FOLHA DE SAO PAULO in Portuguese 19 May 87 p A-26

[Text] The launching of a general strike of continental scope next 23 October is one of the main proposals being discussed at the Latin American and Caribbean Trade Union Conference on the Foreign Debt. The conference began at 11 am yesterday at the Campinas State University, 100 km northwest of Sao Paulo, with representatives of 37 trade unions in 20 countries in the region participating.

The general strike proposal is urged by the CUT, which was responsible for convoking the conference, together with the CGT, the Bolivian COB and the Uruguayan PIT/CNT.

At a gathering which was notable for the absence of representatives of the trade-union leadership in Argentina, which is the third largest debtor country in Latin America (after Brazil and Mexico), the participants will continue until next Friday to attempt to draft a program of action to exert pressure on the governments on this continent to reject payment of the foreign debt under the terms demanded by the banks in the creditor countries and by the IMF.

"We need to unify the trade-union movement in Latin America to strengthen the adamant defense of the freedom and sovereignty of these countries, which are being suffocated by the unjust and inhumane debt payment," the president of the CGT, Joaquim dos Santos Andrade ("Joaquinzao"), 60, said in summarizing the basic intentions of the conference while in his address at the opening session.

However, the trade-union leaders will need lengthy discussions in order to convert theory into practice. "Joaquinzao" himself told FOLHA that he sees the holding of a continent-wide strike as difficult. The CGT, according to its vice president, Ricardo Baldino, 36, will not oppose the CUT proposal, but it will urge a more flexible mobilization plan ranging from public demonstrations to a strike, based on the real situation of the trade-union movement in each country.

The proposed day of strike has the support of the COB, which will also urge "other alternatives for struggle" during the conference. The social legislation secretary of the COB, Albert Echazu, 37, said that the COB is suggesting that the workers boycott the products of countries, whether they be creditor or debtor countries, which are not moving toward a review of the present foreign debt payment terms.

### Attitude of Indignation

"In order to fill the bellies of the bankers, we need to fill the bellies of the workers," the president of the CUT, Jair Meneguelli, said at the end of the opening session. Indignation about the problems resulting from the foreign debt was the keynote of the addresses of the majority of the speakers.

The representative of the WFTU, the communist-line world trade union, Mario Navarro, 51, replied to the article published by FOLHA Sunday, which, he said, gave the impression that his organization was financing the Campinas conference in an effort to broaden its area of influence. "We have no motivation other than the legitimate interests of the workers," he said.

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ORBITA TO BEGIN PRODUCING NEW LAND-AIR MISSILE IN 1989

Rio de Janeiro O GLOBO in Portuguese 11 May 87 p 13

[Article by Milton F. da Rocha Filho]

[Text] Sao Paulo--Brazil is developing a new ground-air ballistic missile which will be produced beginning in 1989 by Orbita S.A., an enterprise under the control of the ENGESA and in which the War Material Industry (IMBEL) and the Brazilian Aeronautics Company (EMBRAER) have minority interests. The new missile represents a challenge to the developed countries, as do two other Brazilian missiles which are now in the final testing stage.

A month ago the developed nations decided to prohibit the transfer of technology for the production of missiles to the developing countries, such as Brazil, Argentina, India and others. The development of this type of weaponry, however, will continue here in our country, according to the main ORBITA directors, including businessman Jose Luis Whitaker Ribeiro, the controlling stockholder in the ENGESA.

With this ground-air missile, which is an apparatus for firing at enemy aircraft from the ground, Brazil is establishing a veritable defense program using missiles with the most advanced technology. The country has the Mol (the present name of the Piranha missile), which was developed by the Technical Aeronautics Center (CTA) in Sao Jose dos Campos. As of 1988, the AMX jet combat planes, jointly produced by Italy and Brazil, will be equipped with this missile.

The Mol, an air-to-air or air-to-ground missile, is similar to the Sidewinder 91 produced in the United States. Currently the Mol is in the test-firing stage, and technicians say that everything is going very well. Even the solid fuel tank for the Mol was developed in this country. Its sensors seek the heat of the jet engines of enemy aircraft, and on contact with them, the missile explodes and destroys the aircraft.

The delay in the production of the Mol was caused by the operational agreements, because although it was fully developed by the CTA, the industrial production stage began with D.F. Vasconcelos, who later withdrew from the business, transferring responsibility for the industrial production to the ENGESA. There was a delay of at least 3 years in reaching the present stage.

At present the Mol project is well advanced, and it can now be used to equip the AMX. The missile is being tested at the Air Force proving ground at the Caximbo Base, in the geographic-military center of the country, where there are silos which can store large quantities of missiles. The Brazilian AMX, which differs in design from the Italian model, for example, in the size of the fuel tank, (Brazil differs from Italy, of course, in its geographic dimensions), will be equipped with the Mol missile for export in the future.

The other missile already developed in the country is the Leo, an antitank missile which will be produced industrially beginning at the end of 1988, as will the Mol. The Leo is a missile which can destroy the armored shell of a tank completely. It was given the name Leo in honor of Minister of Army Leonidas Pires Goncalves.

These three domestic missiles being developed and tested represent a great technological advance, aided by data processing. All were designed, down to the smallest detail, by specially programmed computers.

There is an error in the statement that Brazil exports missiles. The great export product is rockets, most of them derived from the rocket probes which were also developed by the CTA, through its Space Activities Institute (IEA), and are used for peaceful purposes such as atmospheric studies and weather forecasting. Two rockets, however, have now achieved missile sophistication. One can be controlled and directed to the desired point. The controlled missile has a target range of between 50 and 100 km.

The scientists at the IEA are reluctant to comment, but the truth is that the future satellite-launching vehicle (VLS), another product developed from the rocket-probes, will in the future be converted into an intercontinental missile capable of traveling tremendous distances. Some technical changes will have to be made in the VLS, but technicians say they are possible.

Jose Luis Whitaker Ribeiro, one of the heads of ORBITA, believes that the main function of the VLS initially will be to launch satellites on orders from other countries at cost lower than is required for the American Challenger or the French Ariane. Currently it may cost between $30 million and $50 million (between 834 million and 1,435,000,000 cruzados) for the Ariane to put a communications satellite in space.

The Alcantara Base, which is under construction in the interior of Maranhao, is what is called a "window to the sky." The launching of a rocket there will cost 25 to 30 percent less than the same type of launching at Cape Canaveral, Whitaker Ribeiro says.

"Our satellite launcher can put a satellite weighing 500 kg to 1 ton, at the least, into space. The country will be able to earn foreign-exchange income from this type of service," this businessman explained.

When the developed countries decided against selling technology to the developing countries, the hour was already late. There are other countries, some with greater difficulties than Brazil, such as Argentina and India, also sufficiently technologically advanced a to produce ballistic missiles.

Brazil's major rival in the launching of satellites at more competitive prices will without any doubt be China, which already has a satellite- launching vehicle. China wants to launch satellites for other countries at competitive prices much lower than those demanded by the Americans or the French.

"Brazil will compete with China in launching satellites at low prices," businessman Jose Luis Whitaker Ribeiro said in conclusion.

ORBITA Functional in 60 Days

Sao Jose dos Campos--Orbita Aerospace Systems, an enterprise formed by the affiliation of the EMBRAER, ENGESA, IMBEL and Third Systems Engineering, will begin operations at its facility within 60 days. Construction work on the newest Brazilian weapons-industry enterprise began several days ago on land owned by the Ministry of Air and located adjacent to the airport and the highway leading from Sao Jose dos Campos to the northern coast of Sao Paulo.

A group of five contractors is responsible for the project, and before beginning work, their engineers signed documents pledging complete secrecy about the undertaking. In the construction area, three blocs of administrative and product-engineering offices, totalling 1,600 square meters, are being built. Alongside them, there will be two hangars for the installation of subsystems and the final assembly of the missiles, with a total area of 8,200 square meters.

The ORBITA directors have provided no information about the enterprise, but it is known that 70 million cruzados were invested at the beginning of the work. The missile-assembly hangars will be ready in August, when the machinery and equipment will be put in. New hangars, which will expand the plant to 60,000 square meters, will be built in October.

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NEW AIR CONTROL SYSTEM TO OPERATE THIS YEAR

PY162238 Brasilia Radio Nacional da Amazonia Network in Spanish 1000 GMT 16 Jun 87

[Text] Aeronautics Minister General Octavio Moreira Lima yesterday announced that the Defense and Air Traffic Control System [Sistema de Defensa e Control de Trafico Aereo] of the southern region, SIDACTA-2, will begin operating by the end of the year. According to the minister, the radar equipment is already operating experimentally. The system will make possible highly efficient air traffic control in the states of Rio Grande do Sul, Parana, Santa Catarina, Sao Paulo and Mato Grosso do Sul. The SIDACTA-2 will have its headquarters in Curitiba. The minister explained the new system:

[Begin Moreira recording] SIDACTA-2 is still in the experimental stage. The radar and equipment must be evaluated. The system has to be adjusted. Usually there are problems of adjustment or tuning. The system should become operational by the end of the year. [end recording]

The aeronautics minister added that the SIDACTA-1, with headquarters in Brasilia, is being completely re-equipped and upgraded. Moreira also announced the beginning of the implementation of the Defense and Air Traffic Control System in the northeastern region.

[Begin Moreira recording] We are replacing obsolete SIDACTA-1 equipment with state-of-the-art equipment. SIDACTA-1 is being re-equipped with much more modern and efficient systems. At the same time, we are beginning to implement SIDACTA-3 in the northeast region. SIDACTA-2 covers the entire center-south. This will allow perfect control of an area of some 2.5 million square km. [end recording]

According to Moreira Lima, the implementation of SIDACTA-3 will take longer because of the high cost of the system.

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CSO: 3342/137

REMOTE-SENSING SATELLITE TO BE BUILT WITH PRC IN 1994

Sao Paulo FOLHA DE SAO PAULO in Portuguese 18 May 87 p A-16

[Text] Vale do Paraiba--Brazil and China are to build a long range remote-sensing satellite (weighing a ton) in 1994 and to launch it from the Alcantara Base in Maranhao the following year. In this connection, a delegation of scientists from the Chinese Academy of Space and Technology is expected to arrive in this country during the first half of June. Its members will visit the installations of the Space Research Institute (INPE), under the jurisdiction of the Ministry of Science and Technology. It is located in Sao Jose dos Campos, 97 km northeast of Sao Paulo. The mission will meet with researchers in this field to begin discussions on the first basic points in this bilateral project.

Chinese interest in the building of the satellite was evidenced in February of this year while INPE scientists were visiting research bodies in the PRC. On that occasion, they submitted an initial proposal calling for 15 and 20 percent participation in the satellite project for Brazil, making it a co-owner and also user of the equipment.

Services Provided by Brazil

The director of the INPE, Marco Antonio Raupp, said that apart from sharing the use of the satellite, Brazil will also provide China with various other types of service, such as for example the use of ground stations (places where the satellite images are received for later interpretation), supplying meteorological and hydrological data, etc.

"I believe it is very important for us to be co-owners of a sophisticated satellite like this. Our remote-sensing satellite has a mass of 150 kg, and theirs, 1 ton. This means that we will be putting in space an apparatus capable of providing the user with much more information," Raupp said.

Continuity

The director of the INPE said that this bilateral agreement provides continuity for the Complete Brazilian Space Mission (MECB), which has plans for the launching of four Brazilian satellites built at the INPE. Two will collect data (1989 and 1990) and two will be remote-sensing satellites.

The negotiations for the construction of the satellite in cooperation with China, according to Raupp, are likely to take at least 2 years. During this first stage, with the visit being paid by the Chinese delegation, discussions on the feasibility of technical studies, that is to say the project as such and its potential, will begin.

Raupp was unable to specify what resources would be allocated for the project, but he said that there is great interest in this scientific undertaking. "A satellite has a useful life in space of about 2 years. By 1995, the useful life of the last satellite we launched will be over. We must, then, think of the future."

Following the visit to the INPE, the Chinese delegation has talks scheduled with Minister of Science and Technology Renato Archer, as well as the members of the Brazilian Space Activities Commission (COBAE), which coordinates the entire MECB. This will be the second phase of negotiations for the building of the binational apparatus.

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## BRIEFS

BRAZILIAN CONTINENTAL SHELF--The Navy Ministry, with the cooperation of PETROBRAS [Brazilian Petroleum Corporation], yesterday started to map the Brazilian continental shelf starting at the Sao Paulo plateau. The work, which initially consists in mapping the depth of the sedimentary layers of the sea bed, will be carried out by the oceanographic ship "Almirante Camara." This is the first time that this type of task is being officially carried out. In 1979 the Navy mapped the continental coast. The "Almirante Camara" will be busy until 27 August zig-zagging through no less than 14,000 km of seismic profiles along the Campos Basin, Santos, and Pelotas, to the border with Uruguay. [Excerpt] [Brasilia Radio Nacional da Amazonia Network in Portuguese 1000 GMT 9 Jun 87 PY] /12913

CSO: 3342/137

## SOCIAL DEMOCRATIC PARTY PRESIDENT RESIGNS

PY092107 Santiago LA SEGUNDA in Spanish 3 Jun 87 p 8

[Text] Rene Abeliuk, president of the Social Democratic Party, [PSD] has tendered his irrevocable resignation. He will be replaced by Arturo Venegas, who has been PSD acting chairman during Abeliuk's absence. As PSD deputy chairman, Venegas will occupy the presidency until a new executive board is elected during a national convention.

Abeliuk's decision was not rash. He had been thinking about it for several months. As a matter of fact, during the last national council meeting, Abeliuk broached the subject, but the board rejected his proposal, and Abeliuk did not insist.

Abeliuk's reasons for tendering his resignation were based on other appointments and responsibilities related to his position as Democratic Alliance [AD] chairman, a position which he occupied until 31 May. Although no longer AD chairman, Abeliuk still has many obligations concerning the Alliance, which keep him busy.

After resigning, Abeliuk will occupy a position in the PSD, which is reserved for former chairmen only.

Abeliuk's resignation will affect the internal and external relations of the party.

Internally, some party members may oppose Venegas. He already encountered some opposition during the last national meeting, although the creation and development of the PSD are very much the result of Venegas' tenacity and personal efforts.

Externally, Abeliuk's resignation may affect the talks being held with the Radicals.

ABeliuk and Silva Cimma had thought of merging the two parties, creating a federation. It is believed, however, that the new chairman will be less flexible in seeking this political solution.

According to Leopoldo Brull, however, the 25th of April National Council unanimously agreed to a merger with the Radicals.

Abeliuk, who is currently abroad, tendered his resignation through a letter. The party leaders then, immediately took the necessary steps to assure the continuity of the party's leadership.

Brull has also reported that, during last night's meeting, it was agreed to register the party before 8 June, as soon as the party's regulations are amended.

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CSO: 3348/361

SOCIALIST LEADER DENOUNCES INFILTRATION, RESIGNS

PY091917 Santiago EL MERCURIO in Spanish 5 Jun 87 p C2

[Text] Juan Carlos Moraga, secretary general of the Chilean Socialist Party [PS], yesterday resigned and denounced that his party was the target of a massive infiltration by sectors linked to the MDP [Popular Democratic Movement] as well as to the ultra right.

Moraga told EL MERCURIO that "we are facing a problem of a massive infiltration by sectors linked to the MDP and are being pressured by ultra rightist elements that have shown up at the elections of mid-ranking leaders and which could result in the overturning of the party's national directorate once it is legally registered.

The socialist leader tendered his resignation during a meeting of the political commission held yesterday morning and disclosed that it had been agreed to summon a national meeting on 13-14 June to find a definite solution to the situation.

Hugo Coloma, undersecretary general of the PS, will replace Moraga temporarily until the national meeting is held.

Moraga said that in order to confront the infiltration it has been decided to freeze the registration of new party members and to establish that those who wish to join the party must first pass a 6-month trial period. He said that according to the last count, the party has approximately 5,000 active members.

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CSO: 3348/361

POLITICIANS SUPPORT DRIVE FOR FREE ELECTIONS

PY131740 Santiago Radio Chilena Network in Spanish 1700 GMT 12 Jun 87

[Text] The top leaders of eight political parties in Chile have signed a document by which these parties are joining the drive for free elections that has been proposed by a group of individuals in Chile.

The signatories have stated that they signed this document in an effort to get a broad consensus.

The document states that the recovery of the right to elect the country's leaders is the beginning of a peaceful solution to the acute crisis in the country. This will be achieved through the common construction of a political system based on the people's will, and respect for individual rights, liberty, and justice.

The document states that this goal, which is essential for our fatherland's destiny, requires resolute and generous support from the political parties.

The political parties, without prejudice to the variety and legitimacy of their particular aspirations, must be capable of reaching agreement on aspects that are essential for democracy, coexistence, social peace, and progress.

The document, which was signed by the Christian Democratic Party [PDC], the Liberal Party [PL], the PADENA [National Democratic Party], the Humanist Party [PH], the Chilean Radical Party [PR], the Republican Party, the Social Democratic Party, and the Socialist Party of Chile, adds that the seriousness of Chile's problems and the challenges to be met in the near future require that political and social forces reach an agreement that will provide concrete solutions to our country's problems.

The document adds that the political parties that are raising this proposal are aware of the importance of the call for reconciliation that Pope John Paul II made to all Chileans during his visit to our country, a call that was recently reiterated by the episcopal conference.

The document notes that the signatores are convinced that the drive for free elections and their demand for basic guarantees for the development of a process of effective democratic transition is a generous and broad channel for consensus.

Thus, the signatories have coordinated this action in order to promote mobilizations for the holding of free and honest elections and expeditious and broad voter registration.

The document was signed by the following politicians: Gabriel Valdes, Jose Tomas Saenz, Claudio Cerda, Enrique Rodriguez, Enrique Silva Cimma, Armando Jaramillo, Mario Sharpe, and Ramon Silva Ulloa.

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CSO: 3348/361

## ALMEYDA LAUDS FORMATION OF LEFTIST FRONT

PY152327 Santiago Radio Chilena Network in Spanish 1700 GMT 15 Jun 87

[Text] Consulted about the objectives of the new leftist group that is being promoted by some sectors of the Chilean left, Clodomiro Almeyda, secretary general of the Chilean Socialist Party, has stated that a front of the left should make it possible for the Chilean left to play a more meaningful and more active role.

[Begin Almeyda recording] We must make the leftist forces more meaningful and more representative, because the leftist forces are quite dispersed at this moment. And if they are not dispersed, they are at least making up other structures such as the MDP [Popular Democratic Movement] or other organizations. Some other groups are indecisive, not knowing what to do. So, the Chilean left is rather disorganized. We need to make it possible for it to play a more meaningful and active role, and we need to make it more representative. [end recording]

Almeyda added that the front of the left will also facilitate understanding with the Democratic Alliance. In this manner we will have two parties that will not be going around in circles. Almeyda said that for this reason the emergence of this front is positive, and he supports the organization of the front.

According to some reports, the leftist front will be led by Almeyda himself, and he will be supported by a national council made up of members of the parties that make up this front, and independent personalities. A political committee will then be organized to promote the measures adopted by this front.

The members who make up this front of the left are the Socialist Party's Almeyda faction and Historical faction, the Communist Party, the Christian Left, the MIR [Movement of the Revolutionary Left], the MAPU [United Popular Action Movement], and the Radical Party's Luis Fernando faction.

Clodomiro Almeyda is now welcoming the delegation of Latin American politicians who are visiting him. This delegation is headed by Uruguayan leftist leader Liber Seregni.

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CSO: 3348/361

## INVOLVEMENT IN ELECTORAL PROCESS ADVOCATED

### Student Participation Solicited

Santiago EL MERCURIO in Spanish 21 May 87 p C7

[Text] At an event organized by the Student Center of the Law Department at the University of Chile yesterday, Moy de Toha, Monica Jimenez and Nemesio Antunez appealed to college students to get actively involved in pushing for free elections.

The well-known figures who are part of this movement called on the students to work in the slums and elsewhere to make people aware of their "rights as citizens." During the event, which was held in the Law Department yard, Moy de Toha told young people that "we need to bring together in a single force and in a single direction the 80 percent of the population that says it opposes Pinochet and the system. We must begin to act right now, with the certitude and the assurance that we are the majority."

He told them that "yours is a generation that has not lived under or known democracy. Yet your intuition and sense of history have taught the country a lesson in civics." And he called on them to become "engines of this campaign," indicating that "each young person, each college student must be an activist and a promoter of free elections."

Monica Jimenez, a former president of the faculty at Catholic University, explained why she belongs to the movement for free elections. "As a woman of the church, I have worked together with the bishops since 1968 on the Justice and Peace Commission and I am involved in this movement after having reaffirmed for years that we must not keep on living under an authoritarian regime. We cannot keep on having economic policies that harm the poor. We do not wish to keep on living with human rights abuses and we do not want to have values that are alien to our culture imposed on us."

She was applauded by students when she remarked: "We want a peaceful solution, because we are convinced that votes, not rifles are going to make us free."

She indicated that students must work for this initiative "to achieve democracy" and that for this reason the well-known figures in the movement for

free elections are calling on "all citizens without exception to actively support it."

She called on them to register to vote as soon as possible as a way of confronting the campaign that the government is engaged in "to perpetuate itself in power."

The painter Nemesio Antunez placed particular emphasis on registering to vote, saying that "all political colors have a place on the ceiling of free elections, all for democracy, united."

## Voter Registration Urged

Santiago EL MERCURIO in Spanish 21 May 87 p C1

[Text] Former legislators from a wide range of political parties showed up yesterday en masse to register at the Downtown Santiago Registration Office at the corner of Jose Miguel de la Barra and Ismael Valdes.

Former Christian Democrat lawmaker Andres Zaldivar said in this regard that this was a symbolic act and a way of showing the country that "we have to make an effort and register."

He added that the campaign for free elections ought to begin with an appeal to the citizenry to register to vote.

He emphasized that "voter registration should be more accessible. It would have been much easier if this process had been computerized."

Zaldivar indicated that they would emphasize making voter registration obligatory.

Regarding the proposal that Gabriel Valdes made in the speech that some stations broadcast, Zaldivar said that "it is in keeping with what the opposition has been saying for some time. I think that Gabriel Valdes summarized it."

He also indicated that he summarized the opposition's proposal. He was somewhat pessimistic, however, about the government agreeing to amend the constitution. He went on to say that the regime has the authority to do so and saw no reason why it should not. He underscored that a political solution must be achieved before it is too late, before conflict arises. He indicated that if the government stages a plebiscite with one candidate, the country will be forced into an irrational situation that could lead to conflict.

The former senator also took a stand on the proposal by former Senator Armando Jaramillo and several former Communist lawmakers to the effect that Cardinal Raul Silva Henriquez should run for president. He said that the cardinal could help the transition to democracy but, given his high-level position in the church, is not the man to run for public office.

Among the former legislators who appeared before the Downtown Santiago Registration Office were Hugo Zepeda, Julio Subercaseaux, Armando Jaramillo, Engelberto Frias and Gregorio Eguiguren from the Republican Party; Ana Eugenia Ugalde, Juan Martinez Camps, Radicals; Mario Sharpe, Social Democrat; Alfredo Hernandez, Eduardo Osorio and Sergio Anfossi, Socialists; Jose Monares, Eduardo Cerda, Mario Torres, Renato Valenzuela and Wilna Saavedra.

8743
CSO: 3348/342

## PROGRESS, STATUS OF ELECTORAL PROCESS DESCRIBED

Santiago EL MERCURIO in Spanish 31 May 87 pp D4-5

[Text] Ever since President Pinochet signed voter registration into law, many have placed their names on the rolls...In the meantime, Juan Ignacio Garcia, the director of the Electoral Service, must have held a good many conversations over coffee across his desk to convince politicians, workers and other citizens that there was "nothing fishy" about the service.

"One of the biggest reasons why people are hesitant is their ignorance of the system," said Garcia, who prior to the current regime was assistant director of the organization that he now heads.

As doubts have been gradually dispelled, the once vilified voter registration rolls are once again riding high, so much so that some are talking of a "boom" in registration, though the Electoral Service emphasizes that registration is still not heavy enough.

Various groups across the political and civic spectrum have come in to register, some convinced, others reluctantly. While the government feels that this is another stage in the political timetable outlined in the constitution, the opposition believes that it is an indispensable step towards "free elections."

To date, the opposition Popular Democratic Movement seems to be the only dissenter, having called on people not to register as a way of disregarding the law that created the rolls.

Today, campaigns and plebiscites already seem to be in the air in the country, and some questions have arisen: How is the registration process coming along? How do the offices created for this purpose feel about it? What does the man in the street think of the system? Is the issuance of the national identification card causing delays?

According to INE [National Institute of Statistics] projections, by 1989 there will be more than 8.2 million people over the age of 18, in other words, with voting rights. In turn, according to Garcia, a little more than 3.7 million would have to register for the first time as voters.

What Happens at the Offices

"Your card, sir.'

"I'm a woman, not a man."

"Pardon me, but..."

"Biologically I'm a woman. I was operated on some time ago in Vina del Mar. This is the certificate to prove it. I need to comply with this formality to leave the country. My documents list me as a man, but I'm a woman."

The personnel at a registration office in the Mapocho district had to deal with this somewhat uncomfortable situation. "And since the law has little to say in this regard, she was registered as a man. We wound up becoming very good friends with her. She even told us how much the operation cost: 120,000 pesos," related a worker at the office.

Such stories are daily occurrences for the 1,600 people who work in the 514 registration offices around the country, 101 of which are in the capital.

Amusing stories aside, however, a tour of the various registration sites in the metropolitan area revealed that the number of signatures has risen sharply since April, that the lack of information about the process and about the location of the offices must be remedied and that the hours that they are open to the public must be expanded.

The people in charge of the registration offices were proposed by the election boards. "We work on commission, with an average daily base pay of about 670 pesos, plus a commission of somewhat under 2 pesos a month. For example, on the basis of 26 sessions and 780 registrants I made 15,909 pesos in March."

The offices are generally busiest on Mondays, Fridays and especially Saturdays, when the number of registrants jumps sharply. In turn, more women than men arrive before 1100 hours, after which time their numbers even out.

Information Lacking

Julia Somadevilla, the chairwoman of the women's board at the Parque O'Higgins registration office, said that "from the 10 or 15 people a day we registered in April, we have increased to 30 and 50. People are more enthusiastic."

For his part, Oscar Contardo, the secretary of the men's board at this office, said that people complain about the lack of information. "They're all walking around lost. There is little publicity, and some of the offices are inadequate. They're very cold. Here, for example, we look like penguins."

The chairman of the men's board at the Vitacura office, Cristian Castillo, indicated that "close to 50 people a day come in, and more than 100 on Saturdays. In April, we averaged 20 registrants a day. People complain about the short hours and the lack of information about the process. For example, a

lot of foreigners come in here and have no idea that to register they have to bring a residency certificate. So they waste a lot of time."

San Miguel is also registering more people. The secretary of the men's board at this office, Jorge Mecina, contended that 60 persons a day come in on the average. Olga Maldonado, from the women's office, reported that there were 22 on Monday, 90 on Tuesday and 59 on Wednesday. "There is an upswing in the number of registrants."

At the Apoquindo office, Sergio Diaz, who is in charge of registering men, stated that "an average of 40 people a day have come in this week. Last week the average was more or less 30. On Saturdays the number tops 100. People lack information. Several have come here even though it's the wrong office for them."

Arturo Soto Munoz, the chairman of the men's registration board, confirmed that registration is up here as well, to an average of 40 a day, in contrast to 30 in April. "We have the capacity to handle some 100 people a day. We are currently open until 1300 hours. But, if people who are interested in registering are waiting on line, we stay open. People complain to us about a lack of information. So say that we're one block from Las Carmelitas Church."

Carolina Cruchaga Acuna, who is in charge of the women's board at La Reina, stated that registration has been up in recent weeks. "We have handled 55 to 60 people a day. In April it was more like 40. People complain about the lack of information. Even the address of this office was given incorrectly on the chalkboards that were placed in the streets of the community."

As for the men, Jorge Sanchez, who heads the corresponding board in this community, stated that there was an upswing during recent holidays. "The average used to be 40, and we increased to 56 on 22 and 23 May. And then we dropped to 56 [sic]. But obviously there's more activity than in April."

Lastly, at the Downtown Santiago office, Luis Carvajal, a helper at the municipal building that serves as a registration office, explained that "between 80 and 90 people a day are coming in. In April it was more like 20, no doubt because of the pope's visit." At the women's board, Maria Milosevich confirmed this rise in the number of people who would like to register.

Regarding the concerns raised by the office representatives, Juan Ignacio Garcia pointed out that registration hours are set by law and, therefore, that it would have to be amended to extend them. As for publicizing the process, he argued that it was the municipalities', not his agency's job. "Moreover, the service does not have enough funding for it," he said. Nonetheless, the service did do a TV spot disclosing the registration alternatives, and it has been shown on some channels.

Is It the Card?

Eyes have also turned to the Bureau of Vital Statistics as a reason for the slow pace of registration.

In response to suggestions that ID cards be issued free of charge to accelerate registration, Enrique Tornero Figueroa, the director of the bureau, contended that that was not the problem, inasmuch some 6 million cards have been handed out since October 1984, a high percentage to 18-year olds and over.

According to Juan Ignacio Garcia, more than 5.3 million Chileans over age 18 already have ID cards.

Those applying for the card for the first time must present a birth certificate or their parents' marriage certificate; no documentation is required of those who are renewing. In both cases the ID card costs 300 pesos, including the price of the photograph.

During our tour of the Santiago Community Office, one of the 450 offices that the bureau has, we saw that the waiting period was between 45 and 90 minutes. This is one of the busiest offices in the country, handling about 2,300 people a day. Last Monday, a very busy day, the lines of people seeking the document crisscrossed the first floor of the office in all directions.

All of the applicants were told that they would receive the card on 16 June, in other words, 23 days after they filed.

What People Are Saying

Arturo Miranda, a private office worker, showed up at the bureau to report lost documents, He waited 45 minutes on line.

Gloria Riquelme, a 24-year old worker, waited an hour for her thumbprint to be taken so that she could renew her card. "I have one as old as the Bible." A similar wait was in store for Juan Tapia, a 53-year old merchant at fairs, and Alfredo Villegas, a factory worker, who had a friend take his place on line and arrived back 10 minutes before his turn came.

The Bureau of Vital Statistics has set up a special office for people 57 and over. Here we met Flor Maria Espinoza Alfaro, a teacher who received her card "in a matter of minutes." So did Violeta Farto, a housewife. "They took less than 3 minutes to go through the formalities. You know, I'm an epileptic, and the young folk here found out and took very good care of me."

Sergio del Solar, the assistant chief of the Regional Directorate of the Bureau of Vital Statistics, indicated that the waiting period for the delivery of the document was about 10 working days. He added that "since everything is computerized, the information has to be entered very carefully, because otherwise it may be rejected." The busiest days at the Community Office are Mondays and Fridays. We should emphasize, however, that applications for the ID card can be filled out at all of the community offices that have been set up for the purpose.

Del Solar: "Under the program for companies we are handing out 1,000 cards a day at work places. The firms that are interested in the service have to send

a letter to the regional director, stating the number of people to be accommodated, no less than 25, and appointing a coordinator."

[Box, p D4]

Are You Going to Register?

Flor Maria Espinoza Alfaro, a teacher: "It's my civic duty."

Violeta Farto, housewife: "I don't know yet."

Maria Soledad Payne Scevola, merchant: "I've registered. At this point I would have to think that there will be a plebiscite or elections. With or without Pinochet? I have to give that some thought and decide later. In any case, whatever my decision, I'll try to make sure that it's the best one for the country."

Unidentified woman with Argentine accent: "I don't get involved in politics. Whether I vote or not is my own business."

Carlos Castro, student: "I've registered because I feel that it's my duty and for no other special reason. I'm in favor of elections, but if there's a plebiscite, I'll settle for a plebiscite. You can't set conditions in this sense. I have to vote yes or no on the propositions that are put before me."

Pedro Henriquez, mechanic: "I'm going to register just as a matter of conscience. I prefer elections."

Jacqueline: "We all have to exercise our right. If it's an election, vote in the election, and if it's a plebiscite, do likewise."

Rosa Marambio, secretary: "Registering is a civic duty. A plebiscite or an election, it makes no difference to me."

Ana Torrealba, retired: "I've registered. I decided to before there were any more groups. I'm in favor of a plebiscite."

Arturo Guillermo Luengo Medina, librarian: "Registering is a civic duty. As to the choice between a plebiscite or an election, I have yet to properly inform myself."

Veronica ("leave it at that"), family counselor: "I haven't registered to vote and I don't know if I will. It makes no difference to me, because he's the only one who'll come out on top. It makes no difference whether it's an election or a plebiscite. Remember that there was a plebiscite once before, and he came out on top and will continue to. I'm from La Victoria in any case."

Manuel de la Cruz Valladares, retired: "I registered because I was going to have to come in anyway. I prefer elections with Pinochet."

Francisca Elcira Rosas Borquez, housewife: "You have to register to do your civic duty. I prefer an election to a plebiscite."

Unidentified: "I'm going to register because it's my civic duty. I want free elections."

Isabel Sandoval Sandoval, merchant: "No one can come and tell me to register! I'll do it because I want to and because it's my duty. I'm for free elections with Pinochet."

Adriana Henriquez, civil servant: "I registered because I felt like it. A plebiscite or an election, it's all the same to me."

Sara Gonzalez, civil servant: "I had to. It's my duty."

Unidentified businessman: "I registered because it's my civic duty. Regardless of whether a plebiscite or an election is held, I'm very happy with this government."

Herex Fuentes Mardonez, student of religion: "I didn't want to register until I clearly realized what was going on. I did so of my own free will, without listening to or heeding any appeal. I'm in favor of a plebiscite, but without Pinochet and instead with someone representative nationwide."

Maria Blanca Osorio Cruz: "I don't know what I'm going to do. I have to ask Mr Garcia because I'm mentally ill."

Mr Martinez, hauler: "I haven't registered, but I have to because it's my duty. For that reason alone I'll do it. I would like to see elections. And don't make me say anything else because I could get into trouble."

Misael Carrasco, lathe operator: "I haven't registered to vote yet. I want to see things analyzed a bit more because they're not clear. I'm a leader and I want to get a clearer picture. I prefer an election to a plebiscite, though."

Unidentified merchant: "I don't know. I would have to think about it."

Hector Salvo, shoe factory worker: "I haven't registered yet but I will. I prefer elections."

Luis Inostroza, painter: "I've registered. It makes no difference to me whether it's a plebiscite or an election or a plebiscite with or without Pinochet."

8743
CSO: 3348/342

## INDUSTRIAL EXPORTS REPORTEDLY UP 38 PERCENT

Santiago LA TERCERA in Spanish 10 May 87 p 17

[Text] Industrial exports during the first quarter of 1987 were up 38 percent, compared with the same period of 1986, while agricultural exports showed a growth of 23 percent during the same period.

This information from sources dealing with the economy reveals that by March 1987 the manufacturing sector sold $351.3 million, while in 1986 its sales were $254.6 million, adding that products from the agricultural and fishing sector earned a total of $290.6 million in foreign currencies during the first quarter of this year. This figure compares favorably with the $236.2 million exported during the first quarter of 1986.

The figures analyzed indicate that the industrial subsectors leading this growth are chemical products and petroleum byproducts, with a growth rate of 103.9 percent, followed by food products, up 55.4 percent, and paper, cellulose and wood byproducts, with a 33.2 percent rise in export sales.

For agricultural and fishing products, the subsector leading sales abroad is forestry products, with export growth rates of 75 percent, followed by fish, up 57 percent in export sales, and meat products, with a growth rate of 40.7 percent.

### Totals

Moreover, this report indicates that total exports as of 15 April 1987 amounted to $1.3677 billion. When compared with March 1987, this figure reveals that foreign currency earnings from exports increased by $252 million between 31 March and 15 April. This may be attributed to the dynamism shown in the agricultural and industrial sectors. These are precisely the exports that respond most rapidly to the stimuli offered by the structural adjustment in foreign trade.

These results, states the report, are the reflection of policies designed to stimulate the export process, which has worked well during the first phase

of the structural readjustment by providing suitable incentives to increase productivity in those sectors which market exportable goods. At the same time, it was explained that the second phase which is now beginning seeks to provide the mechanisms needed to expand the base of exportable products and to diversify their markets. For that purpose, attempts are being made to boost consumption of these products, by ensuring greater competitiveness and efficiency in relation to other nations which export goods similar to those which Chile offers.

Fruit and Fish

Included in this second phase are products such as fruit, fish and their byproducts, and wood and its byproducts, which are valued and sought after abroad. For this reason, they will face stiff competition. Chile needs to enter this phase with a more aggressive posture in order to maintain and expand its share of the market through promotion policies, improvements in product quality, and by penetrating other markets.

The first quarter of 1987's results for industrial and agricultural exports endorse the policies implemented. These policies have made possible, within an exports development plan, growing increases in Chilean sales abroad. These sales will certainly continue to lead our economic growth during the midterm period.

7679
CSO: 3348/325

## IMPORTS OF CAPITAL GOODS INCREASE 43 PERCENT IN FIRST QUARTER

Santiago EL MERCURIO in Spanish 12 May 87 p B12

[Text] There was a strong increase in imports of capital goods in the first quarter of 1987, foreign trade figures recently released by the Central Bank indicate.

In general terms, the surplus of US $216.4 million is the result of a 10 percent increase in exports and a 30 percent increase in imports over the same period of 1986.

An analysis of the data shows that the largest category of imports was semifinished goods, which came to a total of US $572 million. This figure compares positively with the US $444 million imported during the same period of the preceding year. Imports of capital goods increased by 43 percent, reaching a level of US $222.3 million.

Concerning the implications of these figures, a number of specialists said that while the figures do reflect a rapid expansion of the economy during the first quarter, we should also remember that they are being compared with a very low base.

In fact, during the first quarter of 1986 imports came to a total of US $672 million CIF, which was an 11 percent decline from the same period of 1985. Imports of capital goods declined by 17.9 percent, and of semifinished goods by 9.2 percent. In addition, in 1985 the level of imports was the lowest recorded during the past 8 years.

Another item which also showed a considerable increase in purchases from abroad was consumer goods, especially food products, whose rate of increase was 66 percent.

Exports

With an overall increase of 10 percent, exports totalled US $1.1157 billion during the first quarter of 1987. In this case the outstanding item was a 38 percent rise in foreign sales of industrial products, which came to a total of US $351.3 million.

Agricultural exports came to a total of US $290 million during the first quarter, of which US $233.7 million came from sales of fresh fruit. Both figures represent increases of 23 percent over the same period of 1986.

The mining sector, though, declined 2 percent. This figure included a 1 percent drop in copper exports. Total mining sector exports came to US $473.8 million. This makes up 42 percent of Chile's sales abroad.

Balance of Trade

The trade surplus during the first 3 months of 1987—US $216 million--is 27 percent lower than the surplus during the first quarter of 1986, when it was US $299.2 million.

This smaller surplus has remained steady during the months analyzed. In January 1987 exports exceeded imports by US $18.2 million, compared with US $27.4 million in January 1986. In February the figures approached equilibrium: US $102.2 million and US $105.4 million in 1987 and 1986, respectively. But in March the situation again returned to a state of disequilibrium, and the surplus recorded (US $96 million) is 42 percent less than the March 1986 surplus.

7679
CSO: 3348/325

## SIX PERCENT GROWTH RATE FORECAST FOR ECONOMY IN 1987

Santiago EL MERCURIO in Spanish 16 May 87 p B3

[Text] Most Chilean economic activities will grow 6 to 7.1 percent this year, according to a study of projections by Inversiones Chase Manhattan Ltd. which is connected to the U.S. bank of the same name.

It indicated that the transportation and telecommunications sector should have the highest growth rate, 7.1 percent. It added that last year this activity was among the most dynamic at 8.1 percent.

Other economic sectors that should show significant progress are agriculture, fishing, and industry at 6.5 percent each.

Growth in the sectors of electricity, water, and gas and construction is estimated at 6 percent while a growth of 6.1 percent is expected for the trade sector. This sector only grew 5.5 percent in 1986 while construction improved by 1.3 percent, according to the Chase study.

The sectors that will show less dynamism than the average stipulated by Chase (5.3 percent) are mining, 2.2 percent, and "others," 4 percent.

Based on these projections of growth, agriculture would represent 8.9 percent of the GDP, industry 21 percent, trade 16.8 percent, and mining 8.1 percent. Construction would only represent 5.6 percent.

The Chase study also predicts that imports of goods and services will increase 8.1 percent and exports will increase 7.4 percent. The aggregate demand will grow 5.8 percent.

It predicts that private consumption will grow 4.9 percent while government consumption will drop 1.6 percent. Gross geographic investment will increase 12.2 percent.

7717
CSO: 3348/333

## BLACK MARKET COMMERCE REPORTEDLY ON RISE

Santiago EL MERCURIO in Spanish 16 May 87 p B22

[Text] In recent weeks the illegal sale of merchandise in downtown streets of Santiago and other cities has reappeared. This situation "concerns" the National Chamber of Commerce which will state this to the pertinent authorities, according to the manager of the National Chamber of Commerce, Humberto Prieto.

Stricter control of the situation was achieved in October 1986 but "the impression is that this vigilance has decreased," according to the manager. He was asked about the abundant supply of products, some of which are imported and are probably imitations of "brand-name" articles.

Prieto revealed that the illegal sale of merchandise is disloyal because these merchants evade taxes. They do not have any desire to serve the consumer nor do they assume any responsibility about what is being delivered. This provides an easy income, without limitations of time or place.

One way the National Chamber of Commerce proposes to eliminate these practices is to lower the tax level that affects commercial transactions like the 20-percent VAT. Because of this tax and others, the illegal street vendors have a profit margin 25 percent higher than established trade.

Another factor that would help solve the problem is strict police control of this illegal activity, according to Prieto.

Economic growth and better opportunities are other factors that would help solve the problem. Nevertheless, the attractive profitability of illegal trade shows that, despite the fact that the economy showed important growth in 1985 and 1986, street trade increased. Therefore, strict control is needed.

Prieto indicated: "Chile has decided to develop its economy within a formal framework. Permissiveness toward illegal activities contradicts that objective." He added that informal activities, outside the general economic circuit, "tend to destroy the economic structure."

7717
CSO: 3348/333

## FIRST QUARTER GROWTH REPORTED FOR INDUSTRIAL SECTOR

Santiago LA TERCERA DE LA HORA in Spanish 16 May 87 p 4

[First paragraph is LA TERCERA DE LA HORA introduction]

[Text] Chilean industry grew 10 percent in the first quarter of this year, according to a report presented yesterday by the president of SOFOFA [Industrial Development Association], Ernesto Ayala. He and other directors of the organization met in La Moneda to report to the president of the republic.

At the end of the meeting, Ayala revealed that they had given the chief of state a catalog drawn up by SOFOFA of all Chilean industries--more than 3,500--and more than 10,000 national products. He said that the catalog is written in English and Spanish and will be distributed throughout the world to improve Chilean exports.

Concerning general matters discussed in the meeting, Ayala indicated that they and the president had carefully studied industrial development in the first quarter. Growth reached 10 percent in the period indicated. He said: "This is very favorable and indicative of the progress being observed."

The chief of state was also given figures on industrial employment which now includes more than 547,000 people. This means that national industry is employing more people than ever before in the history of Chile. He added that the effort is demonstrated by the fact that industry has employed more than 170,000 people since the last crisis.

Asked if he agreed that the minimum wage for workers should be 18,000 pesos, the president of SOFOFA revealed that he was more interested in everyone having employment than he was in wages.

He revealed: "I have repeatedly maintained that the best way to improve the wages of the Chilean family is by giving employment to their children. This improves the family because the morale of the children and finances as a whole improve."

7717
CSO: 3348/333

## BRIEFS

MONTHLY PENSIONS TO BE OFFICIALLY REALIGNED--The decree setting percentages for the pension readjustments effective 1 May 1987 was published yesterday in the DIARIO OFICIAL. Persons receiving pensions who are 65 on that date, whose pension is equal to or less than 17,500 pesos a month, will get a 16.41 percent increase. Pensions of retirees of any age, whose benefits are greater than 17,500 pesos, but equal to or less than 43,500 pesos a month, will also receive a 16.41 percent readjustment. Pensions of retirees of any age whose benefits are greater than 43,500 pesos but equal to or less than 100,000 pesos a month, will go up 9.85 percent. However, the decree also stipulates that after the readjustment is applied, these pension amounts may not be less than 50,638 pesos a month, so that any pension lower than that will be raised to this level. Finally, pensions for retirees of any age whose pensions exceed 100,000 pesos will receive a 9.21 percent readjustment. After the readjustment is implemented, this amount may not be less than 109,850 pesos per month, so any pension lower than that will be raised to this level. [Text] [Santiago EL MERCURIO in Spanish 10 May 87 p C5] 7679

CSO: 3348/325

## ANTITERRORISM BILL TO BE PRESENTED TO CONGRESS

Bogota EL TIEMPO in Spanish 15 May 87 p 8-A

[Text] The government announced yesterday that it will present a bill to Congress to fight terrorism, a scourge that has afflicted Colombia for several years.

After a cabinet meeting, the Executive Branch set priorities for bills it will submit to Congress next 20 July as part of its efforts to improve the living conditions of Colombians and fight poverty.

As he left the Palacio de Narino, Minister of Government Fernando Cepeda Ulloa said that the antiterrorist bill was adopted after a comparative study of legislation now in effect in Italy, the United Kingdom, France, Spain, and Germany.

Cepeda Ulloa said: "Those measures have yielded excellent results in the fight against terrorists." However, he refrained from revealing details of the official bill.

He added that another bill will be presented to amend the law that developed the Legislative Act approving the popular election of mayors. This goes into effect in March 1988.

According to the minister of government, they want to eliminate the existing ban against councilors in office running for mayor. Other amendments make the constitutional amendment more operational.

The minister repeated that the government will submit a constitutional amendment to amend the state of siege and adapt it to the diverse modalities that arise from domestic disturbances in Colombia and conflicts with other countries. The state of emergency is included in Article 121 of the Constitution.

Cepeda Ulloa stated that there are meetings now at all levels to determine the viability of the reform of the state of siege and present it to Congress.

The minister said that another amendment to the Constitution will be presented to modify Article 120. It establishes appropriate and equitable

participation in government by the parties and the new administrative and political system for the Special District of Bogota.

Minister of Communications Edmundo Lopez Gomez reported that his office drew up six bills aimed at preventing the politicization of television and amending Law 42 of 1986, especially Letter N of Article 13.

Lopez Gomez indicated that they want more consistency in legislation on television to eliminate politicization.

Minister of Justice Eduardo Suescun Monroy said that they need 4 billion pesos to improve the Colombian judicial branch and guarantee the rights of the accused.

He added that the exact number of judges that will be named has not been determined yet. He emphasized that the government is determined to reform justice at all levels.

As to urban reform, the government has contacted the unions and the political parties concerning mechanisms for the acquisition of farms.

Security Council

Minister Cepeda Ulloa was alarmed by the handling of news about events that occurred in Chivolo, Magdalena. He said that the information given to the country was exaggerated.

The situation was analyzed during the Security Council meeting held yesterday. According to Minister Cepeda Ulloa, "that information was distorted."

Concerning public order, he said: "Sometimes it gets worse and other times better." There is nothing new that changes the current situation.

7717
CSO: 5600/2185

UP ACCUSES MILITARY OF HARASSMENT, ATTACKS

Bogota EL TIEMPO in Spanish 9 May 87 pp 1-A, 11-A

[Text] Yesterday, the Patriotic Union [UP] made charges against active and retired members of the Armed Forces and civilians, some of them associated with the drug trafficking Mafias, whom it implicated in the commission of crimes and attacks against leaders and sympathizers of that political movement.

The UP accusations involve 15 active members of the Armed Forces, three retired Army officers, nearly 100 police agents, a dozen civilians, and a DAS [Administrative Department of Security] agent.

Moreover, the former presidential candidate and top-ranking UP leader announced that this movement would request a hearing with President Virgilio Barco to inform him of "the irregular handling of part of the military intelligence budget used to organize armed groups and to pay hired killers."

Pardo Leal noted that at least two generals are knowledgeable regarding these facts, and announced that UP would report their names to the head of state.

The charges were made at a press conference held at the Chamber of Representatives' social center.

Pardo Leal claimed that there are connections between certain members of the military and drug traffickers in the organization of armed groups, and cited Gonzalo Rodriguez Gacha, "El Mexicano," as one of them.

Nevertheless, he explained that the Patriotic Union's charges do not involve the Armed Forces as an institution, "but rather some of its members who are besmirching its name," and he urged the high military commanders to purge their ranks so as to "save them from discreditation."

He asserted that a sector of military intelligence is implicated in the plan to threaten his life, and said that the details of the plot charged by him would be disclosed next week by the secretariat of the FARC [Revolutionary Armed Forces of Colombia] "which discovered it."

He rejected the association of the traditional political parties with the paramilitary groups, but claimed that "certain regional political bosses" do have connections with them.

The Patriotic Union also declared that, although the creation of the Special Court of Investigation embodies a good intention, "it has made the enormous mistake of exempting the military, granting them a military privilege." They also announced that the charges, with all their evidence, would be placed at the disposal of the Special Court so that it might study the cases.

Simultaneously, it called a national right to life movement for 28 May, including a massive exodus of peasants to the municipal capitals.

The Charges

The charges against active and retired members of the Armed Forces, police agents, and civilians "linked to the drug traffic and the paramilitary groups" have been recorded in various documents submitted to the news media by UP.

Included among those charged is the current military intelligence chief, Col Alvaro Hernan Velandia Hurtado, acquitted of the charge of belonging to MAS [Death to Kidnappers] brought against him by the former attorney general of the nation, Carlos Jimenez Gomez.

Brig Gen Cesar Varon Ramirez, commander of the second brigade, with headquarters in Barranquilla, was said by UP to have "publicly claimed" to be the perpetrator of the deaths of three of its members who were participating in a demonstration at El Bagre, Antioquia, in April of this year.

Army Lt Miller Tarcisio Coy Nunz, Sgt Servio Tulio Luna Medina, petty officers Ovidio Tabuco Betancur, all members of the the seventh brigade's B-2; as well as the civilians Alvaro Serrano Humoa, Jose Maria Serrano Humoa, and Juan Bautista Borrea, were "identified in the investigation being conducted of the death of UP Senator Pedro Nel Jimenez Obando."

UP also accused retired Army Col Oswaldo Carreno Chamorro of having recruited people for paramilitary groups "in collusion with the Defense Ministry's Office of Social Benefits," through the "Trabajamos Consultants" firm of Bogota.

A retired colonel, identified only by the surname Garavito, as well as Sergeants Gomez and Villar, the former chief of personnel for the aforementioned company, were also implicated in those activities.

According to UP, Lt Col Edilberto Sanchez Rubiano, chief of the seventh brigade's B-2, has links with the same firm, and "is responsible for the coordination of the paramilitary groups, together with a colonel having the surname Guerrero, a Major Arias, and Captains Lux and Vasquez, who operate in various military departments as Army intelligence section chiefs."

At the same time, the Patriotic Union distributed a nine-page form including several questions about military experience in operations and the handling of weapons, which it claimed to be the one used by "Trabajamos Consultants" to select its employees.

The charges also involve Col Hernando Falla Alvira, commander of the ninth brigade's Alto Magdalena battalion, who "admitted to having been the perpetrator of the crime committed by the battalion's troops" in Suaza, Huila, in which Jose Dario Rodriguez and Fabiola Ruiz were killed in April of this year.

They also identified the following as associated with attacks or crimes against UP members: Capt Arturo Suarez Bustamente and Lt Romulo Gordon, from the Voltigeros de Uraba battalion; Maj Carlos Melendez Boada and Major Laverde, from the Bolivar and Barbula de Yacopi battalions, in Cundinamarca; and Maj Hugo Molano, under whose command combined operations of the fifth and tenth brigades were carried out in Villarrica, Tolima, "in which Victor Manuel Aroca and Luis Guevara were killed" in April of this year.

According to UP itself, the petty officer Jose Vicente Carvajal commands a "ring of extortionists, kidnappers, and paid killers" operating in Paz de Ariporo, Sasanare, of which Vicente Geleano, Manuel Cerniza, and Hernan Torres are members.

They accused Army Capt Jairo Lozano, commander of the military post in Lejanias, Meta, of mistreating the population, as well as Lt Campo Luis Lagos and Corporals Soto and Beltran, assigned to Monteria, accusing them of having tortured Jesus Emilio Catano, in March of this year.

Police and Civilians

The Patriotic Union also stated that the group called "Death to Revolutionaries of the Northeast," operating in Antioquia, consists of "police agents from the municipalities of Segovia and Remedios," and said that they use the vehicle carrying license plates PT-0080.

In its lengthy documents, UP maintained at the same time that 140 Cali metropolitan police agents "were dismissed for torture and murders," that five agents were captured in Puerto Rico and Guayas, in El Caqueta, "for kidnapping, extortion, and attacks on the population in the name of the FARC," and that six hired killers "belonging to F-2 and the national police," whose identities were concealed, had been arrested by the DAS in Bogota.

That political movement also claimed that the civilians Gilberto Molina, Victor Carranza, Edgar Gutierrez, Genaro Gutierrez, Pedro Ortegon, Pablo Guarin, and Gonzalo Rodriguez Gacha, alias "El Mexicano," some of whom " are known drug traffickers," have connections with the paramilitary groups.

2909
CSO: 3348/322

## OSSA ESCOBAR ASSESSES THREAT OF VIOLENCE, SUBVERSION

Bogota EL TIEMPO in Spanish 9 May 87 pp 1-A, 8-A

[Text] Last night, during a lecture which he delivered at the premises of the Cali Institute of Liberal Studies, the member of the presidential council for reconciliation, normalization, and rehabilitation, Carlos Ossa Escobar, claimed that the violence committed by the non-guerrilla groups is now more serious than that of the armed rebels themselves.

Relying on the latest statistics provided by the DAS [Administrative Department of Security], he explained that 82 percent of the civilian murders, 80 percent of the land theft, 60 percent of the attacks on entities, and 54 percent of the terrorist acts are carried out by groups or individuals not linked with the guerrilla groups.

He noted that, out of all the criminal acts, 39 percent are committed by the armed rebels, with 14.7 percent of them attributed to the FARC [Revolutionary Armed Forces of Colombia], 9 percent to the ELN [Army of National Liberation], 6.2 percent to the EPL [Popular Liberation Army], 4.4 percent to the National Guerrilla Coordinating group, and 4.3 percent to M-19.

Ossa Escobar said that, considering only the violence of guerrilla origin, one readily infers that the largest number of criminal acts are committed by the groups which have remained dissociated from the truce.

He explained that this does not mean disregarding those perpetrated by the FARC, but rather, as he pointed out, the real public order situation being experienced at present is associated with the move toward a new phenomenon, "in which the guerrilla component is only part of the problem, but the features of the private justice groups, the drug traffic, and common criminals are interrelated with it to a considerable extent."

Ossa Escobar, who gave a lecture entitled "Status of Subversion and Prospects for Peace," declared that, this being the case, what the country is witnessing is, in part, a reaction against the effort to strengthen democracy, in opposition to which it will be necessary to resort to emergency measures in keeping with this situation.

He claimed that this conspiracy against the institutions originates among the sectors which are afraid of losing their social and economic privileges, and even their political privileges.

The presidential council member added that the country obviously requires a strong state in order to emerge from the crisis, "but not strong with the squandering of military capacity or coercive ability, rather, strong with its democratic legitimacy; which is not procured through anything but social change, a reinforcement of the channels for expression and participation by citizens, and through the guarantees for all sectors opposing the government or opposing the system through democratic means."

Ossa Speaks

The text of the lecture delivered last night in Cali by Ossa Escobar is as follows:

"First, I wish to express my gratitude and special esteem for the invitation tendered me by the Institute of Liberal Studies today, so that we might frankly discuss a topic that has evoked so much concern among the public.

"The country has reason to be concerned, but it is the obligation of those who inform the public to do so with responsibility and objectivity, specifying the nature of the events and the context in which they have occurred. In this aspect of the reconciliation process, there is a convergence and interconnection of various situations and circumstances comprising a complex scenario that is very difficult to handle.

"I would not want to digress from the subject proposed for this lecture, 'The Status of Subversion and the Prospects for Peace,' but I would like to recall once again the basic principles on which President Barco's government has built its policy of reconciliation.

"The government will persevere in the dialogue with the FARC, a group which has taken refuge in the cease-fire agreements, and is willing to hold dialogue with other groups, if the latter take the initiative. President Barco has said that he was not elected to win any war, because the only true victory is that of peace. The government cannont resort to solutions of force, despite the pressure from certain sectors of the public because, at the end of that confrontation, the country would have to wonder exactly what it had won, and it surely would have won far less than it lost in the political, social, and economic realms.

"This dialogue with the FARC must be confined solely to the conditions for reinstatement of the armed rebels in civilian life and the democratic exercise of politics. After the cease-fire has already been reestablished for 3 years, what else could be discussed? In other words, on what grounds could the dialogue with this group which accepted the truce continue? Understandably, the premise for this dialogue must be reinstatement in civilian life.

"I mention this point because it seems important to me to be clearly aware of the fact that, in this process of reconciliation, there are phases, and there are also central issues within these phases. We believe that, with the FARC, the next, natural step is that of demobilization, that of setting the conditions conducive to the reinstatement of the armed rebels.

"The government believes in the need for reforms that would strengthen democracy and make social progress in the political and economic areas possible; and it is doing so. The government also believes that poverty must be eradicated, wealth must be better distributed, and social justice must be achieved; and, for this purpose, it has put into effect a group of programs, plans, and strategies, with a clearcut political willingness that the honorable president reiterates every day. The government believes in the need for greater participation by the community in state decisions, and is creating the legal and operational mechanisms for implementing this. The government considers ideological tolerance to be a basis of democracy and peaceful coexistence; and hence, in his inauguration speech, the president of the republic hailed the presence of the Patriotic Union in the legislative chambers, as evidence that the various movements can coexist in our democracy.

"The government is well aware of its obligations under the present national circumstances. Therefore, the dialogue is limited to the point regarding use of arms to impose views; and just as our Constitution stipulates that the Army is not a deliberative body since, as President Lleras Camargo remarked in his time, if it were to be such, it would be with arms, much less can armed groups, whatever their ideology, be allowed to resort to the use of them to impose their views.

"What the country must recover is its capacity for tolerance toward the ideas of others: a system in which the views most bound to the past can coexist with those seeking to change the structures of our social and political organization, but in which all share an adherence to procedures for expressing and fighting for those ideas. And it is for this reason precisely that the policy is one of overcoming violence. What is really involved is proving to those who have chosen the path of arms that, in this system, there is room for protest, for criticism, for disagreement, and for dissatisfaction, within the law.

"Having made these comments of a general nature, which provide the context of the government's policy, let us now embark on the statistics and our interpretation of the recent incidents involving public order.

"Often, and at times with too much alarm, mention is made of the heightening of the guerrilla movement during recent years as a result of the cease-fire agreements: claiming that, because of this situation specifically, the FARC have doubled their forces and areas of influence. But there is little talk about the emergence of those groups, their history, their permanence in national life for 20 or 25 years, or the therapies, all unsuccessful, that have been used throughout this period to cope with this phenomenon of armed subversion which has brought so many deaths, grief, and discouragement of production. The

actual heightening, and we must be clear about this, of the subversion in Colombia, as proven by the statistics made public on various occasions by the state security services, occurred between the end of the 1970's and 1984. During that period, nearly all the guerrilla groups, FARC, M-19, ELN, and EPL, doubled their forces and, on the whole, looking at the number of armed rebels, the subversion literally doubled.

"It is true that, during the effective period of truce, between 1984 and 1987, the guerrilla groups increased in their forces, but it is also true that they did so on a lesser scale than during the previous period.

"But let us be more concrete and view the figures on the heightening of what might be called political crime during the latter period. Recently, the national press published a report on the guerrillas in Colombia in which it stressed the resumption of violence in Colombia during the past 2 years, compared with the occurrence of such incidents during the 13 years between 1974 and 1986.

"Through statistics provided by the military intelligence agencies, the increase in forces of the guerrilla groups was established in that report, and attention was also drawn to the escalation of criminal acts of this type. The report claimed that, between 1985 and 1986, 50 percent of the political crimes of the last 13 years were committed, as well as 49 percent of the civilian murders, 58 percent of the military murders, 52 percent of the ambushes, 70 percent of the terrorist acts, 60 percent of the kidnappings, and 25 percent of the attacks on towns.

"In addition, the report was illustrated with a map locating the leading guerrilla groups: FARC, EPL, ELN, and M-19. So, the conclusion from the report, with the statistics given in the manner that I have just indicated, appears obvious: The violence being suffered by the country originated exclusively in the activities of the guerrilla groups, and the heightening of criminal acts is a result of the truce. The solution seems even more obvious: to disregard the agreements and give free rein to the military expedient. This is, ultimately, the perception left to the public regarding a problem which, precisely because of its seriousness, warrants far more detailed consideration, without the bias inherent in overall statistics and hasty interpretations.

"Incorporating new elements of analysis in the figures supplied by the DAS for the first 7 months of the government, let us observe some general conclusions. In some of the most sensitive features of the political crime indicators for this period, violence of a non-guerrilla type, that is, the kind whose perpetration is not associated with the subversive groups, carries more weight than that originating directly in armed movements. For example, 82 percent of the civilian murders, 80 percent of the land theft, 60 percent of the attacks on entities, and 54 percent of the terrorist acts were committed by groups or individuals not associated (according to these statistics) with the five leading guerrilla groups, that is, the FARC, ELN, EPL, M-19, and National Guerrilla Coordinating group.

"Now then, when the different criminal acts are combined, 61 percent of them are attributed to non-guerrilla groups, and 39 percent to the armed movements, distributed thusly: 14.7 percent, FARC; 9 percent, ELN; 6.2 percent, EPL; 4.4 percent, CNG; and 4.3 percent, M-19. In other words, even considering solely the violence of guerrilla origin, on the whole the number of criminal acts by those groups which remain excluded from the truce is more appreciable.

"Viewing the phenomenon regionally, the upset to public order during these first 7 months of the government has been more critical primarily in Antioquia; on a lesser scale in Valle, Cauca, and Santander; and on an even lesser scale in Cundinamarca, Huila, Meta, Boyaca, Guaviare, and Caqueta, among others. In Antioquia, the bulk of the criminal activities is represented by civilian murders, 80 percent of which have been committed by individuals or groups not associated with these guerrilla movements; 84 percent of the extortions are attributed to EPL; 69 percent of the attacks committed against entities have been perpetrated by groups of non-guerrilla origin; and 56 percent of terrorist acts were carried out by these same groups or individuals who do not appear to be associated with armed rebel groups.

"It should be noted, moreover, that when this statistical information is compared with the data from private justice groups one finds a correlation which must be considered: that those departments in which the most critical public order problem is civilian murders are the very ones where the presence of this type of group has been detected.

"We are by no means disregarding criminal acts which have really been committed by the FARC or other guerrilla groups, which, in fact, have been showing up in Santander, Huila, Cauca, Valle, and other parts of the country, associated, in the case of the FARC, with confrontations with the Army and police, kidnappings, and the murder of peasants, as the most recurring types. What we are trying to establish, and this is the key point of this entire argumentation, is that the real public order problem is related to a move to a new phenomenon, wherein the component of guerrilla violence is only part of the problem, but that, together with it, the features of the private justice groups, the drug traffic, and common crime are interrelated to a considerable extent.

"What the country is witnessing is, in part, an obvious reaction against the endeavor to strengthen democracy, in opposition to which we must resort to emergency measures that are in keeping with the situation.

"That plot against the democratic institutions originates among those sectors which have deemed it proper to react with violence against the loss of their social privileges, their economic privileges, and even their political privileges. We must reiterate that the use of force and the exercise of justice are a sole monopoly of the state, and will be penalized according to the law. All those types of private justice, regardless of their origin, must be punished if we want to preserve the effectiveness of our democratic institutions. But, at the same time, the instruments that the state has available for exercising prompt and complete justice must be reinforced, and special mechanisms devised to deal with a situation such as this.

"When a society is being transformed, which is the situation in Colombia at present, the forces which have held some privileges, or those groups which have made a political tool of the monopoly on injustice, react to prevent this progress. Some react by pressuring the state to become an armed defender of privileges again; and others by creating situations aimed at deterring and impeding the progress of the changes.

"The government will persevere in the reforms, it will persevere in its policies of social justice, and it will persevere in preserving an atmosphere of ideological tolerance; because this is an obligation to all Colombians, and it cannot sacrifice a political notion of the state's obligations to restore, through an easy expedient, a public order the results of which would be temporary, but unquestionably costly to our future.

"The restoration of public order must be achieved within the bounds of the Constitution and the law, because the constitutional charter itself so orders. Obviously, the country needs a strong state to emerge from the crisis, but not strong with the squandering of military capacity or coercive ability; rather, strong with its democratic legitimacy, which is not procured through anything but social change, a reinforcement of the channels for expression and participation by citizens, and through the guarantees for all sectors opposing the government or opposing the system through democratic means.

"There has been considerable effort by the country during recent years to achieve a change in our political habits, in the intensification of our democracy, in the reorientation of public spending toward traditionally unprotected sectors, in the decentralization of the central authorities to the benefit of the regions, and in the elimination of privileges of all types; as well as our giving in now to those minorities which are reacting because they had converted injustice into the tool for increasing their privileges.

"As our peasants often say in colloquial speech, we have killed the tiger, and we cannot scare ourselves with the hide now. The government has no doubt that, on issues that the public frequently associates with what has been termed the national crisis, the problem of justice, the status of our political parties, the public order situation, and the evaluations of the cease-fire have to be examined in the context of the political and social change which, in turn, poses new challengens for the social and political forces, and the institutions. In other words, if we make a careful examination of some of the key points defining that national crisis today, we would find that they are implicated in processes of social, political, and economic change, for example, in the case of the popular election of mayors.

"It is understandable that, confronting these challenges that are posed, the government has responsibilities that it is meeting, but the society also has its own, and must meet them. President Barco recently recalled Article 16 of the Constitution, which states that the authorities of the republic have been established to protect the lives, honor, and possessions of the citizens, and to ensure fulfillment of the social obligations of the state and of private entities.

"With the role of the authorities interpreted thusly, the public order problem must be placed in the overall area of the state's obligations, and not merely in the more particular area of the use of public force to resolve anything that a petty view considers an order to preserve privileges. It is a fact that the state has the obligation to protect the lives, work, and property of individuals, and it is doing so with all the means at its disposal. It is a fact that it must combat subversion, and no one could doubt that it is so doing.

"But that is not all, because if it were, we would be limited to the dilemma between subversion and order achieved ay any cost; whereas the true choice is between authoritarianism and democracy, and between violation of the law to achieve order and the rule of law to restore it.

"Included among the state's social obligations which are associated with public order there is also that of guaranteeing the right to freedom of thought and speech, the right to freedom of association through trade unions or political parties, for example; the economic and social rights conducive to greater social justice; the right to work, to social security, and to housing; political rights, the right to equality before the law and the right to security and guarantees in the administration of justice: in short, everything that comprises a state of law such as ours, which could be defined in a more primary and fundamental sense as the rule of law. And the government is unwilling to waive these obligations of the state in order to satisfy those who have a narrow view of public order.

"You have also asked me to discuss the prospects for peace in Colombia. I would not want to put myself in a state of excessive optimism, because it would be naive; but I do not wish to echo those who claim that this policy has failed, either. It so happens, to comment only on the dialogue with the FARC, that while it was difficult to achieve a cease-fire agreement in order to talk without confrontations intervening, it is much more difficult and time-consuming to progress in those talks when their purpose is the reinstatement of the armed rebels.

"We cannot be asked, because it would be unrealistic, within 10 months of government, to put an end to a state of affairs that has lasted for over 30 years; much less in this atmosphere of conspiracy against democracy, which has forced the government to multiply its efforts and which has hampered the advancement of the process. In any event, we are convinced that the policy of change, the National Rehabilitation Plan, and the political and administrative reforms which, I stress, are a commitment to the country and not a deal with the armed rebels, must lead to results that will reduce the conditions for the spread of violence, and prove that the armed expeident for achieving changes is senseless.

"Peace viewed as a whole, in other words, as the eradication of all forms of violence, both by the armed groups and those of private justice, and of all the manifestations of crime that have become heightened during the recent period, is not contingent solely on what the government can achieve, but also on the cooperation and commitment of each and every Colombian.

"The wave of attacks and murders of political leaders and peasants, of helpless children who have nothing to do with this dirty war, of members of local congresses or governments, represents the most serious threat that certain conspiratorial minorities are attempting to impose on us. The state and the entire society must rise up against them to defend the right to life, which is the first and fundamental right. We cannot allow ourselves to reach the limit of collective fear that those minorities want to instill in the country; and hence we must react, to make charges, to cooperate with the authorities, and to break the vicious circle of impunity which only reproduces crime.

"But while this type of plotting by sinister groups impedes the possibilities of a lasting peace, the latter is also impeded by the actions of the armed rebel groups. As for the FARC, which has taken refuge in the agreements, I must give a reminder that it is responsible for 14 percent of the criminal acts which occurred between August 1986 and February of this year. According to these DAS reports, during that period the FARC was responsible for 137 civilian murders, 25 kidnappings, 26 ambushes, 59 deaths of members of the military forces, and 72 armed contacts. Although the government is persevering in the dialogue, and has extended its hand, it also has the firm intent of punishing and repressing violations of the truce.

"Similarly, just as the right to social justice is not in question, the right to property is not either. Both rights are protected within the context of the law; hence, the government is willing to continue its policy of land distribution, but within the legal regulations. It is unwilling to tolerate the de facto methods, or to allow invasions or occupations; because it has other rights to protect as well.

"In conclusion, I would like to reiterate to you that, like many sectors of the public, the government thinks that the desire for reform that the country has shown at various times in its history must be maintained and increased. The government has proceeded and negotiated with the Congress those reforms deemed necessary for carrying out the program of change for which it committed itself to the nation. It may be necessary to propose others, or to discuss others, but this cannot be done with the intervention of arms."

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CSO: 3348/322

## FRENCH MINISTER VISITS, INSPECTS AID PROJECTS

Roseau THE NEW CHRONICLE in English 15 May 87 p 2

[Text]

Dominica's French connection is being strengthened and Dominica was recently graced with the presence of the Honourable Minister of Overseas Departments Michel Aurillac.

After landing at the Canefield Airstrip, French Minister Aurillac took time off his busy schedule to look at the progress being made on the sight of the estimated $2,844,255 new terminal building made possible by his government.

Work on the site commenced in November last year and is expected to be completed in early December this year.

He also visited the local brick factory in Roseau funded in part by the French Government.

Mr. Aurillac in his official capacity together with Dominica's Health Minister Ronan David laid the cornerstone for the soon to be built French-funded $4.5 million polyclinic at the Princess Margaret Hospital. On that occasion the French Minister took the opportunity to present to Mr. David the keys to the Central Medical Stores already in use for some time and built with French assistance.

/13104
CSO: 3298/234

## MINISTER OF LABOR DISCUSSES UNION 'FRAGMENTATION'

Roseau THE NEW CHRONICLE in English 8 May 87 p 16

[Text] Dominica's Labour Minister, Brian Alleyne, says the fragmentation of the Trade Union movement here is partly the result of ideological differences among union leaders.

Mr. Alleyne in a Labour Day message charged that there were union leaders who were less interested in promoting the welfare of Dominican workers than in introducing alien ideologies here which the minister said would eventually serve to destroy the rights and freedom of workers.

The Labour Minister while not making specific reference to any union, cautioned that the Trade Union movement here had to be vigilant in the face of what he called a threat by some leaders to impose communist or socialist control.

Minister Alleyne contended that it was also important that workers recognise economic realities and trends, noting that such recognition was of fundamental importance to both the worker and the future of society.

Mr. Alleyne advised that the actions and expectations of the Trade Union movement should be modified to meet the challenges of today's realities, explaining that the movement's attitude needed to be geared towards the creation of new employment rather than unions seeking to extract all they could for a selected few while the best remained unemployed.

/13104
CSO: 3298/234

## BANANA INDUSTRY SCORES GAINS 'IN ALL AVENUES' IN 1986

Roseau THE NEW CHRONICLE in English 30 Apr 87 p 1

[Text] There has been a considerable improvement in all avenues of the banana industry it was revealed at the Banana marketing Corporation's annual general meeting at Parish Hall Monday.

Prices were strong, production was up and quality was maintained last year, according to Chairman of the DBMC Mr. Vanoulst Jno-Charles.

He said the prime activator was the timely availability of inputs provided mainly under the British Banana Extension Programme; the corporation's own credit scheme and the £5 million given to the Banana Extension Programme by the govern ment of Dominica.

Production for 1986 exceeded the 50,000 ton mark and sales revenue increased by 35% in comparism to that of the previous year, the Chairman said. The banana quality stood out among those of our sister islands though there had been a tendency for the fruit quality to dip towards the end of the year.

A significant achievement for 1986 was the paying off of high interest bearing loans which resulted in the removal of a great burden on the finances of the corporation leaving it to deal with the more manageable low interest long term loans.

Mr. Jno Charles said that the favourable circumstances of the industry in 1986 has firmly set the tone for continual growth in 1987 and the industry now appears ready to infuse a new vitality in the economic life of this country.

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CSO: 3298/234

## ECONOMICS MINISTER REPORTS ON ECONOMY

Guatemala City EL GRAFICO in Spanish 16 May 87 p 5

[Excerpt] Guatemala City, 16 May--"The national economy and its prospects" was the topic of a talk by Lizardo Sosa, minister of economy and former dean of the School of Economic Sciences of the URL [Rafael Landivar University], last Tuesday, 12 May.

The talk held in the auditorium was organized by the Alumni Association and the School of Economic Sciences.

The minister reported that the results of the reorganization plan have been satisfactory. The economic revitalization plan is already being implemented in 1987. Comparing the results of January to March 1987 to the results obtained during the same period in 1986:

Imports increased 27 percent.

Total imports increased 34.9 percent; imports of nontraditional products, 50 percent; and tourism, 58 percent.

Private construction increased 58 percent.

Cement sales increased 30 percent.

Sales of electrical energy increased 11 percent.

Sales of diesel increased 6 percent and bunker, 65 percent.

These results indicate that the national economy is in a process of growth.

7717
CSO: 3248/321

## BRIEFS

GATT MEMBERSHIP REQUEST ANNOUNCED--Guatemala requested admission into GATT, according to Arnoldo Castillo Barajas, director general of trade, yesterday. The Ministry of Economy sent the request by Telex to Geneva, Switzerland, asking for provisional membership in that organization after fulfilling the corresponding steps. "The government made this decision after consulting the private sector and others involved in national production as well as international trade." Castillo Barajas participated in a seminar organized by the Chamber of Industry which analyzed the appropriateness of our country belonging to this organization. Speakers included: Castillo Barajas and Marco Antonio Ventura from the Ministry of Economy; Willy Zapata from the Bank of Guatemala; and Haroldo Rodas Melgar from SIECA [Secretariat of Central American Economic Integration]. The participants discussed the advantages of Guatemala belonging to GATT. One advantage is the opening of a new secure and permanent market for our traditional and nontraditional products under favorable conditions. They also indicated that this will permit Guatemala to negotiate with the 90 member countries of GATT and obtain better conditions so that the difficulties that our exports face abroad can be negotiated and handled in the future. [Text] [Guatemala City PRENSA LIBRE in Spanish 21 May 87 p 14] 7717

CHIMALTENANGO PEASANTS DEMAND LAND--Representatives of 3,000 peasants from San Andres Itzapa, Chimaltenango, will come to this capital to present a petition to the Presidency of the Republic demanding land to cultivate. They are following the example of the movements of Father Andres Giron and peasant leader Carlos Dubon. This information was provided by Francisco Reyes Ixcamey, leader of this new land movement. The leader explained that they will be moderate and try to exhaust all administrative ways to have their demands met by the government. However, he added, "if our request is not met within a certain period of time, we will have to resort to ad hoc measures like a peasant march from San Andres Itzapa to the Plaza Central." Reyes Ixcamey said that the peasants who participate in this new land movement are very poor and need government support in order to improve their living conditions. He asked that their proposals be heard. The peasants held a peaceful demonstration there a week ago and agreed on the mechanisms they will implement in order to be heard by government authorities. Another request from peasants of Chimaltenango is that fertilizer be supplied for cultivation of the land. They reported that they have been the object of discrimination by

the people in charge of its distribution. They only deliver fertilizer to Ladino people. [Text] [Guatemala City EL GRAFICO in Spanish 11 May 87 p 3] 7717

INTERIOR MINISTER ON LAND SEIZURES--Invasions of private farms will not be permitted, according to Minister of Interior Juan Jose Rodil Peralta yesterday. He stated: "The police will oust any group that tries to settle on private property by force." The minister indicated that President Cerezo has a project to support the peasantry but many confuse legal distribution with the invasion of land. He added: "There are people who deceive the peasants and lead them to invade farms. The National Police has instructions to dissuade groups that try to damage or invade private lands." He said that peasants interested in land should request it legally, not by illegal actions. The government is required to watch over private property and the law will be obeyed at all times. [Text] [Guatemala City PRENSA LIBRE in Spanish 10 May 87 p 31] 7717

CSO: 3248/321

RDNP LEADER REFUTES RADIO SOLEIL CLAIM

Port-au-Prince HAITI LIBEREE in French 28 Apr 87 p 12

[Letter by Leslie F. Manigat, secretary-general and political leader of RDNP, to the director of Radio Soleil in Port-au-Prince, dated 27 April 1987]

[Text] Mr Director, It has been reported to me that during this morning's news broadcast in Creole, your station, Radio Soleil, broadcast a so-called news item, in the words of a young woman and from a communist source because it quoted Rene Theodore, saying that I supposedly represented Haiti at the 1961 Punta del Este conference, and that I was the one who supposedly sold Haiti's vote against Cuba to the United States for $12 million. Since you broadcast in Creole throughout the entire country, and since your broadcasts are widely listened to, I can imagine the harm that this so-called information may have caused to my reputation and my honor as a public figure.

I insist first of all on formally refuting this slander, seeing that I was not part of Haiti's delegation to Punta del Este. One only has to consult the official documents pertinent to the case or the press of that period to verify this fact. For my part, it suffices to recall that in January and February 1961, I was incarcerated in Duvalier's prisons, as Jean Brierre, Marcel Gilbert, Stenio Fethieres, and so many other jail companions at the national penitentiary can attest. I might further add that I have never been the head of any Haitian delegation abroad under any government.

But having made this formal refutation, and without possible question, I also insist, Mr Director, on going a step further and posing a question of ethics. I would like to know how the station of the Catholic Church can offer its antennas to a communist effort to spread disinformation, and I would like to ask, Mr Director, if a station's moral responsibility is not compromised when it broadcasts a slander of this nature and this scope over its airwaves.

Hoping that you will give this letter the attention and the necessary follow-up that it deserves, I remain, Mr Director, very truly yours.

9895/12951
CSO: 3219/10

MDN PREPARES FOR SECOND ASSEMBLY

Port-au-Prince HAITI LIBEREE in French 28 Apr 87 p 3

[Interview with Hubert de Ronceray by Smith Barthelus: "The MDN on the Eve of Its Second General Assembly in Petit-Goave"; date and place not specified]

[Text] The city of Petit-Goave is preparing to host the Second General Assembly of the Mobilization for National Development Party [MDN] from 1 to 3 May 1987. The MDN continues to stir up public opinion through the statements of its leader, Hubert de Ronceray, and through his frequent visits to provincial cities and rural areas. HAITI LIBEREE (H.L.) met once more with Hubert de Ronceray (H. de R.) to keep its readers fully informed.

H.L. Hubert de Ronceray, what are the main objectives of this Second MDN Congress?

H. de R. Well, you really should say the Second General Assembly. The MDN's charter calls for two general assemblies per year and a congress every 3 years. The general assemblies are held the first week in May and the first week in December. Since the MDN was created on 4 Auguest 1986, the first congress will take place in 1989. This Second General Assembly basically aims to evaluate the work accomplished so far, specify the party's electoral strategy, and launch the operational development plan.

H.L. How many participants do you expect at Petit-Goave?

H. de R. In December 1986, we had 1,500 participants. Everything leads us to believe that what is at stake at this meeting will attract MDN members from every corner of the country and from abroad. This will be an answer to our detractors and to those who cast doubt on our party's vitality.

H.L. Some observers think that you are isolated with respect to the left, the Duvalierist extreme right, and the democratic center, which, according to them, makes you a man with no popularity. What do you think of that?

H. de R. The political line that I began building starting in 1980 and that is currently embodied in the MDN was neither the work of the left, nor the Duvalierist extreme right, nor the democratic center. My political leadership was born of my opposition to Jean-Claude Duvalier's regime, which was the

perfect expression of the extreme right. The left was outlawed 14 months ago. As for the democratic center, it is a newborn which does not yet have control of all its reflexes. The political currents that came out of 7 February 1986 can now attack me, because, along with the leaders of the internal opposition, I openly played the card of ideological pluralism. The MDN is certainly working in the direction of national unity, but it does not lose sight of the fact that Haitian society has entered a restructuring process which necessarily implies a preliminary affirmation of diversity. Those who say that I have no popularity left should perhaps explain to me what techniques and what survey methods they have used to arrive at that conclusion. And besides, they are the first to use my name and the MDN symbols in order to be accepted in certain regions of the country.

H.L. Why does the MDN leave the field open to its adversaries and fail to reataliate tit for tat?

H. de R. The MDN has important tasks to perform. It does not want to waste its resources on degrading quarrels that can only drag it down. Several of our partisans think that we are too good-natured in a country where politics is a cat fight. Our adversaries think that they are strong, intelligent, and wise because they use the airwaves and the print media to distort our thoughts, to lie about the party's accounts, and to deceive the public. We stand by and watch them do it in order to save the first faltering attempts at freedom in this country. The MDN is a civic training school where learning about politics should get rid of the garbage that has debased Haitian nationality. We are building a political system on the basis of the principles of law, truth, and justice. People often tell us that principles do not lead to the National Palace. Before the nation, we have taken on the responsibility of succeeding where others have failed. For us, this change can no longer remain on the level of discussion. It must be lived in action.

H.L. Public opinion admires the scientist in you but is afraid of the political leader, because the MDN is too independent and takes too many risks. What do you have to say about that?

H. de R. The MDN is a political party that was born out of a center of sociological-political continuum should show through in the steps we take. I am glad to know that our scientific efforts are appreciated. I am anxious to reassure our admirers of the fact that the MDN always takes calculated risks which bring it closer to its goals every day. As for those emotional people who would like to see the MDN leader closer to the "smoke-filled rooms" of political graft, in the guise of sycophants and flatterers, we say to them that we are moving forward toward power, not as opportunists, but rather as methodical, systematic builders.

H.L. Do you feel that you have brushed aside the dangers that Article 291 of the Constitution brings to bear on your candidacy?

H. de R. The dangers exist only in the minds of those who invented Article 291. I have never felt disturbed by that article. I have reacted by going out to respond to the call of the people who were anxious to see me personally

and to hear from my own lips that nothing can stop the march toward victory. If it said in the Constitution that those who openly took a stand against Jean-Claude Duvalier's regime are barred from elective office, then I would feel targeted. Meanwhile, national sovereignty has quite a few surprises in store for a number of people.

H.L. Which candidates for president will be finalists in your opinion?

H. de R. Political movement is cyclical. There are highs and lows for every candidate. From one day to the next, the images may shine brightly or fade. We will have to wait until November 1987 to know who the finalists will be.

H.L. Will the MDN be able to withstand the millions of dollars that certain parties are preparing to invest to buy the upcoming elections?

H. de R. In every country in the world, there is a fraction of the electorate that is bought and sold like merchandise. We cannot avoid this type of going-on in a country as poor as ours.

But the national conscience carried out the 7th of February 1986 in order to say "no" to its traditional alienation. If the millionaires want to invest in order to buy power on the occasion of the upcoming elections, the disadvantaged must not hesitate to take their revenge this time by using that money to support the candidate of their choice.

H.L. Are you expecting a really big success at Petit-Goave next 1 May?

H. de R. The electronic and print media are cordially invited to this Second Assembly which will open on 1 May 1987 at 1000 at the Lambi Club. It is the media who will tell the whole truth about what they see and hear.

H.L. Thank you very much, Mr de Ronceray.

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CSO: 3219/10

## BRIEFS

PUCH STATEMENT--Mr Rene Theodore, the secretary-general of the Unified Party of Haitian Communists (PUCH), stated that he is prepared to issue a correction if it turns out that Mr Leslie Manigat was not part of the Haitian delegation which sold Haiti's vote to the United States at Punta del Este in 1961 in order to exclude Cuba from the OAS. Mr Theodore made this statement Tuesday evening to RTNH. For his part, Mr Manigat stated that the secretary-general of PUCH is lying. He quoted Lenin, who said in 1921 that "telling the truth is a bourgeois habit." [Text] [Port-au-Prince HAITI LIBEREE in French 30 Apr-4 May 1987 p 6] 9895

/12951
CSO: 3219/10

## ENERGY COOPERATION AGREEMENT WITH ARGENTINE PROVINCE

### Signing Ceremony

Asuncion EL DIARIO in Spanish 31 Mar 87 p 13

[Text] A pact in which the National Electric Power Administration (ANDE) and the Argentine Energy Secretariat agreed to link the electric power systems of the two countries was signed yesterday at the Ministry of Foreign Affairs. Initially the beneficiary will be the department of Misiones, by way of the Encarnacion-Posadas pass and the Carlos Antonio Lopez-Eldorado pass.

Paraguayan authorities headed by government ministers and high-ranking military officers, as well as Argentine government officials, among them Energy Secretary Jorge Lapena, the governor of Misiones, Dr Ricardo Barrios Arrechea, and President Raul Alfonsin's principal adviser, Dr Enrique Nosiglia, took part in the ceremony.

ANDE and the Argentine Energy Secretariat, the organizations responsible for the electric power in their respective countries, signed the agreement of reciprocal cooperation and interconnection that establishes the basis and the conditions for the actual linking of our country's and Argentina's electrical systems. Signing for the ANDE was Mr Enzo Debernardi and for the Energy Secretariat, Mr Lapena.

"Brothers neither threaten nor judge each other."

Mr Debernardi spoke immediately afterwards and during his discourse he said: "We ask our Argentine brothers to see in this interconnection something besides an event in the field of electric power. We ask them to see a stretched-out hand. Not a closed fist to threaten, nor a raised hand to judge, because brothers neither threaten nor judge each other, but an open hand to be shaken."

Debernardi stated later: "The present world, following a long recognized trend, is becoming polarized into a pronounced antagonism between nations that represent on the one hand a way of life contrary to our Christian and nationalistic feelings, and on the other hand, an imperialism whose disguise can no longer hide a reality that does not coincide with the ideals of our continent."

"Without passing judgement on each other."

"Therefore," he continued, "those of us who desire to be neither accomplices nor slaves of these nations have no other choice but that of a close association, without reciprocal judgement, without reservations, without constraints so as to come together as we are, without imposing our way of life on each other and without trying to be examples. Brothers accept each other because they are brothers, with their virtues and also their defects, if any."

Later on he added: "Thus a real accomplishment in the relations between the Republic of Paraguay and the Argentine Republic has been achieved, which harmonizes the highest Latin American integration ideals and which, because of its importance, can be counted among the most relevant and concrete accomplishments of that common aspiration."

"Also other provinces."

The next talk was given by Mr Lapena, who among other things announced that the agreement signed with Misiones could very well lead to similar cooperation with other provinces bordering with Paraguay. He mentioned Formosa as an example and expressed the wish that in a short time some agreement could be reached that would satisfy the needs of that region.

He mentioned also the Yacyreta and Corpus projects and pointed out that these undertakings are being carried out within a framework of true understanding between our two countries. The ceremony concluded immediately thereafter.

## EDEMSE Manager's View

Asuncion EL DIARIO in Spanish 31 Mar 87 p 13

[Text] The associate general manager of the "Misiones Department State Energy Enterprise" (EDEMSE), Mr Guillermo R. Lombardini, at the request of EL DIARIO stated the following concerning the documents drawn up yesterday between Paraguay and Argentina.

The document subscribed to by the National Electric Power Administration of Paraguay and the Argentine Energy Secretariat is a landmark agreement. Subsequently this document will allow the development of things technical.

"The agreement is one of cooperation and interconnection and makes feasible the early delivery of energy by Paraguay to the province of Misiones at a power level on the order of 30 megawatts."

Later Mr Lombardini added that: "Initially this will be realized through the pre-existing 1973 connection between the Carlos Antonio Lopez and Eldorado stations. A second one will soon be possible at the altitude of the Encarnacion-Posadas international bridge."

"The third one in order of priority is to be with Formosa," he added. "As you may recall," he continued, "within the energy sector it is the Energy Secretariat that regulates the relations between the nation and its provinces.

"It is thus that the interconnections with Misiones were arranged between ANDE and EDEMSE this afternoon. Meanwhile the next interconnection we foresee--the studies must still be completed--will be between ANDE and the Department of Water and Energy.

The signing of the document between ANDE and EDEMSE confirms the comparative advantages offered by their respective energy systems through the following two interconnecting points: Eldorado-Carlos Antonio Lopez, at 132 thousand volts with an exchange power of 30 thousand kilowatts, and Posadas-Encarnacion at 33 thousand volts with an exchange power of 10 thousand kilowatts.

Energy Revenue

Asuncion EL DARIO in Spanish 31 Mar 87 p 13

[Text] ANDE will receive some $250,000 monthly on account of the service it will provide to Misiones, according to an estimate by the minister of public works of Misiones, Abraham Levy.

The minister of public works and services of Misiones, controller of Misiones Enterprise, Inc. (EMSA), Abraham Levy, said that "the signing of the documents is simply the realization of a strictly technical matter.

"This has to be seen in a different framework, such as the impending consolidation of the effective economic integration," added Mr Levy. Further on he pointed out that "the economic integration will not be realized either unless there is something behind it that is constant and that consists of spiritual integration."

"In this context," continued Levy, "among the natives of Misiones who live on the shores of the Parana river there must be very few of us that do not have Paraguayan ancestry. That is to say, there is no spiritual integration. This is the fact that affects the other processes such as the economic integration and this formal ceremony."

Amount of Energy

When Levy was asked if he could estimate the amount of energy that ANDE will sell to EMSA, which hereafter will be known as Misiones Energy Enterprise Government Corporation (EDEMSE), he said: "This is on the order of 30 to 50 percent of what the Misiones plant is generating, which is about 90,000 kilowatt hours."

The prices for the mutual aid services will be as follows: A) transfer energy: $3 US/MWh; B) interchange energy: B.1) non-peak-load: $24 US/MWh; B.2) peak-load: $69.0 US/MWh; B.3) continuous: $37 US/MWh; C) hydraulic energy [energia de vertimiento]: $14.1 US/MWh; D) emergency power: $73.0 US/MWh.

For the purpose of the readjustment of prices, foreseen in the contract containing the technical note, it is established that: a) the prices mentioned above are based on the first quarter of implementation; and b) the readjustment charges will be levied quarterly by means of a complementary invoice, in U.S. dollars, issued after applying all the appropriate indices.

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CSO:3348/287

## ALVA CASTRO OUTLINES 1987-1990 ECONOMIC PLANS

Lima EL COMERCIO in Spanish 5 Apr 87 p A-4

[Interview with Economy Minister Dr Luis Alva Castro on 4 April; place not indicated; first two paragraphs are introduction]

[Text] Higher exports, higher food production and import substitution are the pillars of the economic policy that the administration intends to pursue from 1987 to 1990. In this regard, immediate measures are designed to boost production profit margins vis-a-vis the dollar yield, in other words, to convince people through actions that whoever invests to export, to produce food and to replace imports will earn more than someone who speculates on a currency devaluation. We have to put our money on Peru, not on the dollar, said the minister of economy and chairman of the Council of Ministers, Dr Luis Alva Castro, in an interview yesterday with EL COMERCIO.

"Let's keep the interview exclusively on economics," said Minister Alva when the reporter asked him about developments regarding the air force. The minister insisted on keeping the dialogue in this sphere.

### Dialogue Between Government and Business

[Question] What is the government offering the private sector to achieve these goals?

[Answer] We are giving assurances of sustained growth in the GDP during the period from 1987 to 1990. The country should believe us because we have demonstrated in practice that we have the ability to keep our promises. Moreover, we must seek to make productive use of the economic surplus, of the profits, by preventing them from being used speculatively or being sent overseas.

[Question] But what are you going to do for the production sector?

[Answer] The government is going to create a Venture Capital Fund that during its initial year will seek to take in the inti-equivalent of $400 million that is currently in private sector hands. Instead of being earmarked for the purchase of dollars on the free market, this money will seek out more profitable investments in production.

Creating Jobs

[Question] Where will investments from this fund go?

[Answer] The fund will earmark its resources for investment projects that the state has prioritized, such as exports, the production of food and processed items, and the vertical substitution of imports.

[Question] What will the immediate effect of this be?

[Answer] Some 60,000 direct jobs and close to 120,000 indirect ones will be created.

Where Is the Money Coming From?

[Question] But how does one raise $400 million?

[Answer] The fund, with government support, will increase the profit margins of production capital for these priority investments by more than 40 percent.

[Question] Would you be more explicit?

[Answer] To make this feasible, individuals and corporations will be authorized to deposit liquid assets in the financial system; after these funds are used for the priority investment projects, the depositors will receive shares in the ratio of three to two to their deposits.

Repatriation of Capital

[Question] How do you plan to convince savers to bring back their money in dollars from abroad?

[Answer] By guaranteeing a preferential exchange rate (free market plus five percent) to repatriate capital earmarked for priority production investments. This policy will help provide foreign exchange from savings deposited overseas so that we can import priority machinery and capital goods.

Land Tenure

[Question] Land has been the main source of wealth of nations. In recent years, however, the incentives for working the land have been disappearing, and this has given rise to enormous overcrowding in the cities. What is the administration going to do?

[Answer] We are going to promote investment in the jungle fringe and in the untilled lands along the coast that are government-owned, thus allowing corporations and other companies established under Peruvian law to own land.

[Question] Isn't there some conflict between this aim and the Peasant Communities Demarcation and Titling Law that Congress recently passed?

[Answer] No. This has been carefully looked into and spelled out.

[Question] Isn't this a real revolution in land tenure?

[Answer] It is a revolution in the yield from land. Idle and poorly developed land is going to enter maximum production with maximum productivity.

Foreign Currency Certificates

[Question] Domestic savers are complaining. They are being punished in a way in spite of their decision to save.

[Answer] Today, holders of foreign currency certificates can convert into domestic currency up to $5,000 at the decontrolled exchange rate. They can acquire indexed bank certificates redeemable in a year's time.

In practice this means the unfreezing of almost all bank deposits in foreign currency.

The savers who had faith in the country are thus being rewarded to the extent that our economic recovery allows.

State-run Enterprises

[Question] There has been talk recently about the possibility of privatizing certain state-run enterprises. At other times, though, just sales of stock are said to be involved. What is really happening?

[Answer] We are moving to expand the stock market and promote broader shareholding through blocks of stock in state-run enterprises, but the nonfinancial enterprises.

[Question] What other incentives?

[Answer] There is one that has excellent prospects. There is still unutilized operating capacity in the country. We are going to facilitate the sale of unused assets at market prices. This will help boost investment and foreign exchange savings.

[Question] Will small-scale mining remain the Peruvian economy's poor relation?

[Answer] No. We will support small- and medium-scale mining by exempting it from the special tax on domestic sales and on exports and through the foreign currency exchange.

The Foreign Exchange Problem

[Question] There is concern over the decline in foreign exchange reserves.

[Answer] We must remember that export revenues fell by almost $500 million in 1986, mainly due to the drop in oil prices.

There was obviously nothing we could do to stop this fall in prices. But we have been able to encourage exports of manufactures. Therefore, we are giving exports a preferential exchange rate. We have set up the Foreign Trade Institute, which is enabling us to support exporters. Nevertheless, the results of our actions will obviously not be in evidence until 1988. But we will see something in 1987.

The Foreign Debt

[Question] Is the same policy being pursued regarding the foreign debt?

[Answer] To maintain the level of our reserves, we are making sure that payments on the foreign debt decline in keeping with our goal of six percent of the GDP, the country's ability to pay, the maintenance of the current level of reserves and strict compliance with the principle of a net positive balance in transactions with creditors.

Limiting payments is the only way to make sure that we have the foreign exchange we need to continue economic growth, to strengthen our production units and to keep on boosting wage and job levels in our country.

[Question] What is going on with the supervisory enterprises that the government is supposed to hire?

[Answer] One major problem confronting the government has to do with the overinvoicing of imports and the underinvoicing of exports. These practices distort the trade balance and must be combated. The experience of other countries is that supervisory enterprises is the way to do this. They ought to work as well in Peru as they have in other economies.

Dollars for Tourism

[Question] Is the amount of dollars that can be purchased for tourist purposes going to be kept the same?

[Answer] Experience indicates that the previous limits ought to be cut. A maximum of $4,500 a year will be maintained for tourism.

Payments for Services

[Question] Has an exchange permit been established for payments for services?

[Answer] We detected an exaggerated increase in overseas remittances for services in 1986. The purpose of exchange permits is to look after our most important strategic resource: foreign exchange.

More on the Debt

[Question] Let's get back to the foreign debt. Is it a millstone that keeps you awake at night?

[Answer] That depends on how you look at the problem. The honing of our policy on the debt will enable us to utilize it as a lever for developing our nontraditional exports. Many of our creditors, who are aware of the country's limited capacity to pay, are prepared to purchase $2 worth of products from us for every dollar of debt that we pay them.

[Question] And what about tourism?

[Answer] Since we have idle capacity in the tourist industry that we could easily make use of, we are taking very pragmatic steps. We are prepared to use the debt as a lever for promoting tourism as we would any other product.

International Borrowing

[Question] Are the doors to international borrowing closed?

[Answer] No. That assertion is not accurate.

[Question] Everyone says they are.

[Answer] Everyone knows that international lending declined drastically as of 1982. The countries of the Third World have suffered the consequences, thus bringing on the current debt problem. Peru is no stranger to these difficulties. Medium-term loans to us have also been cut. Nevertheless, we have made an effort to secure medium-term loans from international agencies, governments, government agencies, banks and suppliers.

[Question] Could you cite some examples?

[Answer] Yes. The recent loan from the IDB on 31 March, and a $70 million loan from a group of Swedish banks for the Carhuaquero electric power plant.

I should also mention the loan from the Andean Reserve Fund, which was scheduled to go through in the second half of 1987. The loan is for more than $200 million, and the interest rate is lower than on the world market.

[Question] And what about commercial loans?

[Answer] As far as commercial loans are concerned, I should mention that we have doubled the July 1985 level. At present, lines of commercial credit exceed $400 million.

Higher Imports

[Question] But doesn't an increase in imports mean greater dependency?

[Answer] It means revived production, especially in our case. This is what caused the rise in imports.

We also plan to boost imports this year, not reduce them, but in a more orderly manner. Those who need equipment or inputs to keep their production

activities going will be importing, as well as the merchants who bring in the consumer goods that the people need.

[Question] And who will not be importing?

[Answer] At a time when the fall in the prices of raw materials is hurting our import capacity, what we cannot accept is unnecessary purchases.

[Question] Could you be more specific?

[Answer] Some industrialists have imported inputs to produce five times their annual output. Some luxury items that we cannot afford have also been imported.

[Question] Isn't this what a foreign exchange budget is for?

[Answer] Yes. But everyone in the production sector must show discipline and not buy what is not needed.

Negotiations with Creditors

[Question] Our ability to pay has waned. What policy is the government pursuing towards our overseas creditors?

[Answer] We have said so many times. We are not prepared to sacrifice growth to pay back the foreign debt. We are going to rationalize imports and provide for their orderly growth. But we are not going to cut imports by reducing demand and output.

[Question] And what about our creditors?

[Answer] We have already begun negotiations with some of our creditors to lighten the debt burden and enable the economy to keep on growing. For the time being, we are going to negotiate with our main creditors to reschedule our debt.

[Question] Within what guidelines?

[Answer] Under no circumstances are we prepared to pay out more than we take in in new loans or disbursements of old ones.

The funds that are freed from debt payments will be used here at home. They could become government contributions to the Investment and Employment Fund and, at the same time, used to defray outlays for education, health care, etc.

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CSO: 3348/273

## INCENTIVES FOR REPATRIATING DOLLARS OUTLINED

Lima EL COMERCIO in Spanish 5 Apr 87 p A-7

[Text] The government has decided to pay a 15 percent bonus to individuals or corporations who bring back foreign exchange to invest in domestic industrial firms that are engaged in priority activities.

The incentives are available for those who bring in foreign exchange under the provisions of Article 201 of Law 23556, its regulations and Article 26 of Legislative Decree 399.

Article 2 of Supreme Decree 072-87-EF, reads:

"When the foreign currency that individuals or corporations repatriate is invested in the country in domestic enterprises engaging in priority activities, in accordance with the list that the ministry of the corresponding production sector shall approve pursuant to a favorable opinion of the MEF [Ministry of Economy and Finance], such individuals and corporations shall receive in domestic currency a bonus of 15 percent above the value of the repatriated foreign currency, converted at the exchange rate for sales of the freely traded foreign currency on the financial market for that currency.

"The calculation shall be based on the quotation that the Superintendency of Banking and Insurance publishes in the official gazette on the day that the foreign currency is sold to the Central Reserve Bank of Peru (BCR)...In the event that there was no publication on the date of the sale, the calculation shall be based on the most recent publication of the superintendency.

"The ministry of the corresponding production sector, pursuant to a favorable opinion from the MEF, shall approve the list of priority activities in the form of a supreme resolution within a period not to exceed 30 calendar days from the date that this supreme decree takes effect.

"Individuals and corporations that invest the foreign currency they repatriate in the purchase of nonfinancial enterprises or of shares that belong directly or indirectly to the state and that the state puts up for sale, shall be entitled to the same bonus, in accordance with the provisions of Article 127 of Legislative Decree 399."

The decree also establishes this procedure:

1. The foreign currency must enter the country in the form of drafts or payment orders from overseas, which will be sold to the Central Reserve Bank through the institutions of the country's financial system.

2. Through the institutions of the financial system the BCR will hand over in exchange the value in domestic currency of the amount sold, at the exchange rate for sales of the freely traded foreign currency on the financial market of that currency, and a certificate in domestic currency for the bonus.

The domestic currency certificate issued by the BCR will be payable through financial institutions under the following terms:

a. Fifty percent of its value, plus the corresponding interest, 12 months after the investment of the capital or the purchase of the enterprises or shares, which must be effected within 180 calendar days from the date that the drafts of the repatriated foreign currency are sold to the BCR. If the capital is not invested or the enterprises or shares are not purchased within the aforementioned period, the domestic currency certificate will be automatically null and void in its total amount.

b. The remaining 50 percent, plus the respective interest, 6 months later.

c. The domestic currency certificate will earn interest equivalent to the maximum rate that the BCR sets for time deposits in the institutions of the country's financial system.

Furthermore, the shares or ownership interest arising from the investment of capital or from the acquisition of nonfinancial enterprises or the purchased shares that directly or indirectly belonged to the state, can be transferred to third parties only after at least 3 years have passed.

Within the same period of time, the enterprises in which investments have been made with the funds that are the subject of this decree cannot reduce their capital or decide to dissolve.

The regulations of the decree will be issued by the Ministry of Industry, Domestic Commerce, Tourism and Integration or by the Central Reserve Bank, as appropriate.

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CSO: 3348/273

## VIEWS ON PEASANT COMMUNITIES LAND TITLING LAW

### Positive Step by Government

Lima EL NACIONAL (PRIMERA LINEA Sunday Supplement) in Spanish 8 Mar 87 pp 2-3

[Article by Lorenzo Castillo]

[Text] The eyes and ears of the rural Andes will be focused on Congress this week. Debate will begin there tomorrow on two bills that concern the peasant communities.

The two bills, one on "Demarcation and Titling" and the other called the "General Law of Peasant Communities," have prompted bitter, albeit belated debate in various political sectors and trade union organizations.

The agrarian trade unions have expressed serious objections to the bill that the Executive Branch submitted last July but that was not made public until this past November. In fact, in a bid to influence congressional debate, several community delegations met this weekend in Lima and conveyed their differences of opinion and alternatives to the appropriate Senate and Deputies committees.

What is the underlying controversy over these two bills? Whose interests do they harm or whom do they benefit? What do the interested parties, in other words, the community residents themselves, have to say. We will discuss these and other questions in a most succinct fashion.

### Presidential Initiative

The statistics of the Agriculture Ministry speak of 3,600 legally recognized peasant communities, representing more than 70 percent of the country's rural population, which is estimated at 8 million.

According to the same ministerial source, however, the native communities bring the number to over 5,000, with a heavy concentration in the Andean trapezoid zone, which is beset today by terrorist and repressive violence.

According to the same official statistics, living standards among the peasants are extremely low, and infant mortality rates are the highest in the country.

As far as health care is concerned, at present there is one functioning health care center for every 54 communities and every 60,000 residents; and a health care post for each 4 communities and each 6,000 residents. Eighty percent of the communities do not have drinking water, and only three percent have indoor plumbing.

As for education, 40 percent of the community residents have never gone to school; only 48 percent have gone to primary school, and just 5 percent make it to secondary school.

Forty-eight percent of the residents do not have permanent jobs, owing to demographic growth and the poor quality of the farmland, which cannot be readily improved or expanded.

These shocking living conditions have facilitated the proselytizing activities of "Comrade Gonzalo's" followers in the departments of the Andean trapezoid, Shining Path watchers say, so much so that they have been able to sustain a subversive struggle for 7 years.

Thus, the proposal from the Executive Branch but mainly from the president himself to pay attention to the peasant communities is directly related to the need to stamp out terrorism. To this end it seeks to strengthen the community as an organizational structure that can take in and channel the funds and proposals for its modernization.

A First Step: Titling

An initial task in attending to the communities is to recognize and legitimize their territorial domains. This is the purpose of the bill "to demarcate and title the peasant communities." It embodies a great many of the persistent demands of the peasant organizations, which have also been reiterated at the various "rimanacuy."

Groups such as the National Agrarian Confederation (CNA) and the CUNA [Agrarian National Unitary Council] have not expressed major objections to the bill. Rather, they have voiced their support for it. The business sectors tied to mining and the construction industry are the ones who have screamed bloody murder because their analysis of the document shows that they would be badly hurt.

The bill provides for a review of the territorial transfers that have taken place since 18 January 1920, especially the appropriations by virtue of false title.

Aside from embodying the suggestions that deceased community leader Jesus Oropeza Chonta made in CUNA in 1983, the most important thing about the bill is that it will put an end to often violent conflicts with third parties and between the bordering communities themselves. What is more, it will resolve administratively more than half of the suits that are before the agrarian justice system, both in lower courts and before the tribunal itself; such cases are decades old, and there is no end in sight to them.

It bears recalling that the disputes over boundaries have triggered bloody wars between communities, often fomented by unscrupulous lawyers who preferred to keep the conflicts alive rather than settle them so that they could continue filling their coffers. Four years ago in Cajatumbo, 10 local residents died as a result of a feud over boundaries. The best known cases, however, involved the warlike Pasco communities of Yanahuanca and Rancas, whose members engaged in the constant, violent clashes on horseback. A few years ago they put an end to a decades-long feud after arduous negotiations to which Senator Genaro Ledesma can bear witness; he often headed into Yanahuanca to evade police persecution.

In the view of the experts on the communities, if the problems of boundaries and titling are resolved as the bill provides, the administration will be scoring a point in its favor.

Understandable Objections

Sociologist Almer Arce Espinoza, one of the best informed and up-to-date experts on the communities and their problems, observes that the bill has a weak point: enforcement.

He says that enforcement is impossible with the ministry's current specialized administrative infrastructure.

It does not have enough manpower, let alone the funding that will be needed for travel into remote areas to draft sketches and maps of the community lands.

"Such work will require heavy outlays, which cannot be charged to the communities. The government has to defray them entirely if it wants to resolve a burning, age-old problem," Arce Espinoza indicates.

He notes that to process inquiries, petitions, appeals and election records from the 3,600 communities, which comprise 6 million inhabitants, the respective general directorate of the Agriculture Ministry has 8 employees, including 2 secretaries, without a budget even for office supplies, and this scene is repeated at the regional directorates.

The Underlying Debate

The second bill, called "the general law of peasant communities," is the one that has prompted bitter debate.

The peasant organizations see three main issues: community autonomy, land and community democracy. There is common ground on these issues, though it has not been entirely spelled out.

As for the first issue, both the CNA and the CCP [Peasants Confederation of Peru] assert that the bill would harm the autonomy of the communities by proposing a municipality-community dichotomy and by holding general elections. The respective congressional committees reportedly resolved these objections

by suggesting a locally run town council government within the territory of a community.

They also question the legality of liquidating communities by assembly resolution, a procedure similar to the subdivision of a cooperative. This would clearly be the biggest stumbling block to the bill and could hasten its defeat and thus bring greater chaos to the countryside.

As far as community lands are concerned, the threat of returning uncultivated land to the state would cause the dismemberment of the largest areas of the communities. This would prompt a mobilization throughout the country, especially along the northern coast.

As for internal democracy, the objections have to do with the promotion of the community enterprises with parallel legal status. Such parallel status is, of course, a serious threat to internal democracy; it should be noted, however, that there have been both positive and negative experiences in the operations of the community enterprises.

The various peasant forums have brought out the need to spur the community enterprises, but as specialized production committees that come under the community's government organs.

This would be the alternative for restoring group work in the fields and in small mines in many communities. The experiences have been encouraging. The enterprises have facilitated agricultural and livestock capitalization and brought in schooling, health care and transportation.

They would also help to restructure the communities internally, as they are shortcomings that must be corrected, such as the monopolizing of lands by merchants and ranchers who live in the nation's capital and return to the communities only for saint's days.

The community enterprise will not be compulsory. It must be the result of a free, democratic decision by the majority based on the urgent need to acquire modern technology to boost output and improve the well-being of the community residents.

Legends and Reactionary Ill Will

To those who have made a legend out of the communities, the promotion of the community enterprises is a heresy that "violates an age-old tradition and paves the way for capitalist penetration." Their alternative is community autarky. They have more than a few followers. There is a wealth of literature, but of course it is read only in academic centers, far from the debate among peasants.

Other voices have spoken up against the bill in this same vein but from a different perspective and with different language. Those who see the communities as the vestiges of Inca socialism have said so in editorials and articles. Their major forum is the newspaper EXPRESO.

They say that the communities have a collectivist and therefore totalitarian and antidemocratic bent. Their alternative is "community self-determination to make decisions on land, farming, and the inheritance, leasing and sale of of the good earth."

What they are basically proposing is the liquidation of the peasant communities, as has been done with the agrarian cooperatives. In the medium term they seek "to acquire for production" the lands that they can purchase, or rather monopolize.

Self-Defense

A final objection to the bill is the failure to mention community self-defense, which is guaranteed in one way or another in the constitution and in the recent law on peasant patrols. Since this law sets forth basic principles, it ought to specify a self-defense function that comes under the organs of community government, not state agencies, especially if it seeks to regulate a judicial system inside the communities.

To summarize, this week the fate of 6 million Peruvians is in the hands of 60 senators and 180 deputies, 240 lawmakers. They will decide whether the community model is consolidated in our country or whether its disappearance will be hastened. We are looking forward to the debate.

## Elimination of 'False' Communities

Lima EL COMERCIO in Spanish 6 Apr 87 p A-4

[Text] Aprista Deputy Cristobal Campana yesterday issued a severe warning to those who have used prohibited maneuvers for profit-making purposes to gain powerful positions in the peasant communities, especially along the coast. Campana is a member of the Peasant Communities, Agriculture, and Irrigation and Water Resources committees of the lower house.

He said that such people (the professionals who pass themselves off as community residents) would be eliminated through enforcement of the Peasant Communities Law, which the government is about to enact.

He added that the law seeks to help a huge number of peasant communities that are truly regarded as such, inasmuch as they are engaged in farming and livestock raising.

"We have seen with our own eyes that many communities only claim to have land but for some time now have not grown anything. Rather, their leaders have gone around and still go around distributing plots of land to third parties," he said.

He went on to say: "This goes for several coastal communities (in quotes) whose leaders are engineers, doctors or professors, not peasants, even though the bylaws of the peasant communities say that a community resident is a person whose main income derives from his work as a farmer within the community in which he was born."

Specific Cases of "Communities"

In his eagerness to unmask the pseudocommunities, Deputy Cristobal Campana has traveled through several departments along the coast and in the highlands and has managed to gather solid information.

"We see cases in several major coastal cities in which certain leaders have sold, transferred or given title to community lands, even though they know that they are inalienable, in other words, they cannot be sold," he stated.

He then disclosed: "I know of cases in which the mayors of some communities are from outside the area and, since they are professionals, claim power over the real community residents. For example, there is the community of Huanchaco (Trujillo) and Jicamarca (Lima)."

"The real residents of Huanchaco have been 'reduced' to a small piece of land and to obligatory silence," he stated.

The Community of Huaman

The community of Huaman in the city of Trujillo, he added, has unfortunately disappeared as a territory owing to the appearance of urban developments that extend to Buenos Aires beach.

"We know that when the Incas came to the lands of the Chimu, they chose as their mitimae [Indian whom the Incas sent to a recently conquered region] a prominent Quechuan from Cuzco known by the name of Huaman, which in Quechua means falcon. Huaman was there a half century later when the Spaniards arrived. The Chimu told the visitors about the usurpation of lands by the Incas, but the Spaniards preferred to keep the two major communities at the time disunited or separated: the Chimu (known as Mansiche on the right slope of the valley) and Huaman's (on the left). Later Huaman's community became known as a settlement of converted Indians."

He added that other similar cases have been seen in Chancay, where the communities are struggling for pastureland and bulrush land, although there are "concessionaries who have nothing to do with the community."

National Institute of Peasant Communities (INDEC)

Deputy Campana said that all of the problems in the communities would be resolved after the creation of the INDEC, which will soon be on the scene because it is urgently needed.

He reported that INDEC would coordinate relations between government and the communities and identify the real local residents so that certain leaders do not become entrenched and wind up taking over the communities to the detriment of Peru's Andean tradition.

# Law Vindicates Peasant Leader

Lima EL NACIONAL (PRIMERA LINEA Sunday Supplement) in Spanish 12 Apr 87 pp 2-3

[Article by Lorenzo Castillo]

[Text] Eight members of the Civil Guard are back in the defendant's seats in Ica Superior Court to answer for the brutal slaying of peasant leader Jesus Oropeza Chonta in the frozen Puquio pampas in July 1984.

One year before, at the first congress of the CUNA, Oropeza Chonta had called for and outlined a bill on "demarcating and titling peasant communities." Its objectives and main articles have been embodied in the bill that Congress has just passed and is about to be signed into law by the president of the republic.

If Oropeza were alive, he would surely have been invited to the signing ceremony, in recognition of his constant struggle for the community cause, because of which he met an extremely cruel death.

The defendants in the trial that is back in the news are only the actual perpetrators of the crime, not the people who set the stage for and instigated it, that is to say, the local bosses represented by the Puza family.

Against this backdrop we should review the painful events in question in a search for justice that is hopefully social as well.

## The Social Context

In 1984 Jesus Oropeza Chonta was an active leader of the National Agrarian Confederation and an agrarian leader in Lucanas Province.

He was born and raised in Utec, a small peasant community that is known for two reasons: it was the childhood home of the great writer Jose Maria Arguedas, serving as the inspiration for the beautiful story "Water," and underneath its lands lie major veins of gold, which have been mined since the viceroyship and seem inexhaustible because today they are still worked by the Mining Company of San Juan de Lucanas on commission from the Mining Bank of Peru.

These facts dominated Oropeza's life. His parents, who were lifelong peasants, made many sacrifices to send him to San Luis Gonzaga National University in Ica, where he studied economics.

He was active there in the student movement, making a name for himself with his fiery oratory that never shied away from controversy. When the allowance from his family ran out, he returned to his village to work the land.

He soon became a community leader in opposition to the Puza family, the local bosses who were capricious in their distribution of water and the best lands.

This was in 1979, the year that he cleanly won the community elections. When control of the Utec community changed hands, the Puzas felt that their interests were in jeopardy. They soon went into action and, forging documents, challenged the elections and pretended to hold their own.

The Puzas' interests in Utec are considerable. They dominate local business, transportation and the distribution of community water and land. Even the parish is run by one of the Puzas, who refused to baptize the children of Oropeza's followers. It was a full-fledged local government, as is still the case in many towns in Peru today.

Intrigue

How to get rid of the competitor, who was threatening to end the family empire from his new post? Although the Puzas did not have the law on their side, they trusted that they could twist it through bribery.

They sought out lawyers, who got down to work. They went to the Agriculture Ministry to have the elections annulled. They were unsuccessful because unluckily for them the people who went to Utec to check on the voter lists and community support backed up Oropeza without qualifications. Desperate, they brought suit against the agriculture minister himself, who at the time was the Swede Nils Ericsson, for not "protecting" them.

When they failed in the administrative arena, they resorted to intrigue and slander, accusing him of being a "terrorist." Many reports sent to the assistant prefect of Lucanas and to the director of government, Jose Terry Montes, alleged that Oropeza was going around organizing subversive cells and meetings. Their evidence was that he was running for deputy on the leftist bloc ticket and was a CNA leader.

These canards caught on. The director of government ordered his arrest every time that a document arrived from the Puzas. He was often arrested but had to be freed for lack of evidence. What the Puzas were actually after was to keep him far away, to keep him from setting foot in Utec.

Of course every arrest cost the Puzas, particularly Roberto, the ringleader and wealthiest member of the family.

Arrest and Disappearance

It was common knowledge that the Puzas were upset about the young leader's reappearances in the community. Every time they learned of his arrival, they went to the Civil Guard post to demand his arrest. They had orders from the director of government himself.

It was now July 1984. Oropeza realized the danger he was in, because at the time the "terrorist" accusation was almost like a bullet in the temple. Brushing aside his fears, he traveled to a convention of the Agrarian League that was to be held at the Provincial Council and attended by several lawmakers and special guests, including the conservationist Felipe Benavides. He went with them to ask for assurances from the Puquio Civil Guard post,

where the line chief, Lt Antonio Magnani, assured them that they need not worry and that Oropeza could do as he pleased.

The climate in Puquio at the time was marked by insecurity. Shining Path had staged violent raids in the highlands of Lucanas Province, but nothing had happened in the districts near Utec.

With the "assurances" given by Lieutenant Magnani, the young leader went to see his father on 26 July and celebrated his birthday with him. It would be his last.

On 27 July, the day before Independence Day, Oropeza returned to Puquio to respond to his rivals' charges. He was received by Sgt Julio Cesar Alva Frias, who made an appointment for him the following day because his boss Magnani was not around.

Oropeza's presence apparently took him by surprise. A few minutes later he changed his mind and, recalling the lengthy conversations with the Puzas and their promises, he ordered two Guardsmen to arrest him as he was still in the square, 100 meters from the post.

"Young fellow, the sergeant wants to speak with you. Follow us back to the post," Guardsman Weiner Diaz told him.

"Come along with me. I have to discuss something quickly, and we'll be off," Oropeza said to his cousin Juan Ore, and without suspecting anything they headed back to the police station, never again to be seen by their parents or followers.

The Crime

Oropeza's friends and relatives went into action that same night, fearful that the police would not release him. They brought him a bed and food so that he would spend a more comfortable night. The next day they returned with breakfast and tried to get him released.

But it was not to be. He was tortured that night in the dungeon; his screams were heard by other prisoners.

Early the next morning a Civil Guard detachment under the command of Cpl Hector Campos Yui removed him and took him in an Agriculture Ministry van to the army camp in Cajamarca 50 kilometers away to hand him over on charges that was a "terrorist."

There, the detachment commander at the time, Captain Razuri, told them that Oropeza did not fall under his jurisdiction and that in any event they should take him to the courthouse. It was the morning of 28 July, National Independence Day.

Halfway, amid the Canllapampa prairies, they executed the CNA peasant leader in the savage manner of which the country has been told.

The Political Scandal

The director general of the Civil Guard at the time was Juan Balaguer Morales, who was already under fire for mismanagement. Deputy Luis Percovich Roca was interior minister, and he was unmoved by the criticisms of the political opposition represented by the forces of APRA [American Popular Revolutionary Alliance] and the Left.

Oropeza's family sounded the alarm on 28 July, but he was not declared dead until 30 July.

Minister Percovich ordered an internal investigation, the response from which was that Oropeza had not been arrested. So said the radio message signed by Lt Antonio Magnani. But there was a wealth of evidence. Pursuant to another order, a commission of Civil Guard officers visited the scene and spoke of his arrest, reporting, however, that Oropeza died as he was being rescued by a subversive commando unit, which supposedly justified the use of deadly force. They even gave details of the alleged terrorist action. The farce had reached its limit.

It was the pressure of public opinion that forced the police to investigate the crime and return the leader's body. They gathered up his abandoned, charred remains in the Puquio highlands and handed them over on 10 August.

The political responsibility of the interior minister was clear, and he was thus summoned to report to the Senate, where the then president of the body, today's "prince" Manuel Ulloa, to conceal the savagery of the crime, ordered a "closed door session" and removed newsmen, thus prompting the departure of leftist lawmakers.

The Perpetrators

The plaintiff has had a tough time getting just some of the culprits in defendant's chairs. The local judges tried to stonewall so that they would go scot free. They postponed formalities and rejected evidence and statements from witnesses. The defendants sought a closed trial in which the judges would be members of their institution and in which what they did would not be regarded as a common or cruel crime.

Eight men are on trial, headed by Sgt Julio Cesar Alva, for whom the prosecutor is demanding a 20-year prison sentence. Another defendant is Cpl Campos Yui, who fired the shots and hurled the grenade that charred the agrarian leader's body. The Guardsmen say they were following orders from above and have thus asked for fewer years behind bars.

The plaintiff, however, says that the masterminds of the crime are not on trial, for example, Roberto Puza, the local boss who during initial questioning in court was unable to explain what he did with the 9 million soles that he withdrew from the Credit Bank 2 days before the crime and that, according to accounts heard at the previous trial, went to pay for the "services" of Sergeant Alva Frias.

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SUIT AGAINST PAPER FOR CRITICIZING JUDICIARY DROPPED

Port-of-Spain TRINIDAD GUARDIAN in English 29 May 87 p 5

[Text]

KINGSTOWN, May 27, Cana—HIGH COURT judge, Satrohan Singh, has identified retired civil servant, George C.H.Thomas, as the man behind the **nom de plume, "Quo Vadis,"** whose May 1 column in the independent *Vincentian* newspaper, here, incurred the wrath of the Judiciary.

The article, headlined "Where Are We Going?" and questioning the recent discontinuation of a libel case brought by Commissioner of Police Randolph Toussaint, against Reliance Press, Ltd., printers of the Opposition *Star* newspaper and several Opposition figures, triggered contempt of court proceedings against *Vincentian* editor, Nora Peacocke.

But, with apologies from both the editor and the writer, the case brought by the Attorney General was subsequently dropped.

Attorney General Parnel Campbell announced last week that he and the paper's lawyers had reached agreement that the apologies would be published, and in return the proceedings would be discontinued against Peacocke, the writer would be granted immunity from prosecution, and his identity kept secret.

## Highly Contemptuous

But Justice Singh, who approved the Government's discontinuation of the proceedings on Monday, criticised the deal struck in the case, and declared:

"This court does not deal in pseudonyms. When *Quo Vadis* wrote the article, which I found, *ex facie*, to be highly contemptuous of the Judiciary, he lost the privilege of the secrecy of his true identity."

The judge said the court did not, and was not permitted to pledge secrecy to any individual, especially in a matter that directly touched and concerned the proper administration of justice.

He explained that the identity of *Quo Vadis* became known to him in a letter written by Thomas to the Attorney General and copied to him.

*Quo Vadis'* apology, published last Friday, coupled with the Attorney General's undertaking not to institute legal proceedings against him and not to divulge his identity, created the impression that Thomas was holding the legal machinery in the State to ransom, in the sense that he was prepared to apologise only if the Attorney General did not prosecute him and did not disclose his true identity.

## Obvious Leniency Shown

Justice Singh said the court frowned on "this barter arrangement," and could not be party to it.

He declared: "George Thomas was never in a position to bargain for anything. He is the offender. Nothing is owed him except to see justice is done."

Justice Singh said the court could not endorse the obvious leniency shown by the Attorney General toward Thomas, and pointed out that while the Attorney General may be bound by the ethics not to disclose *Quo Vadis'* identity, and the court on its own could not bring proceedings in matters of that nature for contempt, it felt obliged not to allow Thomas to hide under the pseudonym of *Quo Vadis*, Having regard to the serious nature of the offending article, and bearing in mind the very stern attitude of courts in dealing with such matters.

Justice Singh made it clear that the journalist had no privilege by which he could claim the right to refuse to disclose his name.

"A free Press must be a responsible Press, and in order to be deserving of freedom, the Press must show itself worthy of it," Justice Singh asserted.

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BANANA INDUSTRY REPORT FOR '86 SHOWS EARNINGS SURPLUS

Kingstown THE VINCENTIAN in English 8 May 87 p 1

[Article by Mike Findlay]

[Text]

The Annual Report of the St. Vincent Banana Industry presented at the 33rd Annual General Meeting of the St. Vincent Banana Growers' Association last week Thursday (April 30) showed that the industry realised a surplus of EC6.4 million dollars on its operations last year despite a 40 per cent destruction of banana cultivation in September last year by tropical Storm Danielle followed by three days of torrential rains.

Banana production had been estimated to be 45,000 tons. Up to August last year, the industry was well within that forecast having by then produced 25,770 tons of the estimated 28,050 tons for those eight months.

For the same period, 27,953 tons of bananas had been exported from here to Britain. 12.7 per cent more than the 24,776 tons exported for the same period in 1985.

But with just under half of the 7,226 acres of bananas here seriously affected by Danielle, and heavy rains in September, there was an overall shortfall of 16 per cent of the estimated exports, and production was 6 per cent below the 1985 figure.

By year end, 39,223 tons of bananas had been produced, 37,658 tons of which were exported to Britain, the remainder, representing 3.6 per cent, being either "left back" for a variety

of reasons or "shut out" after arriving late at the Geest Reception Station in the capital Kingstown.

The exports fetched EC49.6 million dollars more than last year's and it enabled the Association to record a surplus which was EC5.4 million dollars more than in 1985.

The report listed three main reasons for the improvement in the industry's operations.

It said the average green market price (GMP) was higher last year than in 1985 - 529 pounds sterling compared with the 472 pounds average in 1985.

The rate of exchange of the British pound against the East Caribbean (EC) dollar was also much higher - EC4.00 dollars to the pound last year as against EC3.72 to the pound in 1985.

The report also said there was increased administrative efficiency in the operations of the industry last year.

According to the report, those factors combined to enable the Board of Directors to pay Banana Growers an average price of 29.85 (EC) cents per pound for their fruit compared to the 26.06 cents per pound they were paid in 1985. Growers also received a total of EC5.5 million dollars as benefits in the wake of Tropical Storm Danielle. 2.7 million dollars came from a special on-going disaster fund, the balance of 2.8 million being provided from the Association's General Fund.

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